CaixaBank

Pillar 3 **Disclosures**

Half-yearly disclosure
ESG Risk

CaixaBank Group

As at 30 June 2025

Pillar 3 Report is originally published and prepared in Spanish. This English version is a translation of the Spanish report for informational purposes only. In case of discrepancy, the original version in Spanish will prevail.

03

3.4. ESG Cross-cutting Factor Sustainability

3.4.1 Environmental Risk

3.4.2. Social Risk

3.4.3. Governance Risk

08

8.1.4. ESG Cross-cutting Factor Sustainability

03
ESG Cross-cutting Factor **Sustainability**

3.4. CROSS-CUTTING ESG FACTOR (SUSTAINABILITY)

As presented in section 3.2.2 of this document at 31 December 2024, **sustainability/ESG risk is considered a cross-cutting factor** affecting several risks in the Bank's Corporate Risk Catalogue.

The qualitative ESG risk information required in the EBA ITS/2022/01 DISCLOSURE GUIDE and its corresponding location in the following section are listed below:

/ TABLE 1. QUALITATIVE INFORMATION ON ENVIRONMENTAL RISK

Qualitative information request		P3D 2025
Business strategy and processes		
a)	Business strategy employed at the Bank to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on the business environment, the business model, the strategy and financial planning at the Bank	3.4. CROSS-CUTTING ESG FACTOR (SUSTAINABILITY) / B. Strategy 3.4.1 ENVIRONMENTAL RISK / A. Business strategy and processes
b)	Objectives, targets and limits for assessing and addressing short, medium and long-term environmental risk, and assessment of performance against these objectives, targets and limits, including forward-looking information about the design of the strategy and business processes	3.4.1 ENVIRONMENTAL RISK / A. Business strategy and processes / Objectives, goals and limits – Environmental management plan
c)	Current investment activities and (future) investment objectives for the achievement of environmental	3.4. CROSS-CUTTING ESG FACTOR (SUSTAINABILITY) / B. Strategy /22-2024 Strategic Plan /Targets, goals and limits /Quantitative tables section 8.1.4
d)	Policies and procedures related to direct and indirect engagement with new or existing counterparties in their strategies to mitigate and reduce environmental risks	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / D. Risk Management / Corporate Sustainability Risk Management Policy/ESG
Governance		
e)	Responsibilities of the governing body to establish the risk framework, monitor and manage the implementation of targets, strategy and policies in the context of environmental risk management, covering the relevant transmission channels	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / C. Governance / Sustainability governance model
f)	Integration by the governing body of the short, medium and long-term effects of environmental factors and risks, organisational structure both in the business lines and in the internal control functions	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / C. Governance / Sustainability governance model
g)	Integration of measures to manage environmental factors and risks in internal governance mechanisms, including the role of committees, the allocation of tasks and responsibilities, and the cycle of feedback between risk management and the management body, including the relevant communication channels	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / C. Governance / Sustainability governance model
h)	Information channels and frequency of information in relation to environmental risk	3.4.1 ENVIRONMENTAL RISK / C. Risk Management/Measurement and Scenario Analysis Framework – Climate risk metrics 3.4.1 ENVIRONMENTAL RISK / B. Governance/Governance of decarbonisation objectives

i)	Harmonisation of the remuneration policy with the Bank's objectives related to environmental risk	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / C. Governance/ Remuneration
Risk management		
j)	Integration of the short, medium and long-term effects of environmental factors and risks into the risk framework	3.4.1 ENVIRONMENTAL RISK / C. Risk management/Environmental risk management
k)	Definitions, methodologies and international standards on which the environmental risk management framework is based	3.4.1 ENVIRONMENTAL RISK/ C. Risk management. 3.4.1 ENVIRONMENTAL RISK / C. Risk management/Environmental risk management
l)	Processes to define, measure and monitor activities and exposures (and collateral, where applicable) sensitive to environmental risks, including the relevant transmission channels	3.4.1 ENVIRONMENTAL RISK / C. Risk management/Climate change risk management
m)	Activities, commitments and exposures that contribute to mitigating environmental risks	33.4. CROSS-CUTTING ESG FACTOR (SUSTAINABILITY) / B. Strategy / 2022-2024 Strategic Plan 3.4. CROSS-CUTTING ESG FACTOR (SUSTAINABILITY) / B. Strategy / 2025-2027 Strategic Plan 3.4.1 ENVIRONMENTAL RISK / C. Risk management/Financed emissions and decarbonisation targets
n)	Application of tools for the detection, measurement and management of environmental risks	3.4.1 ENVIRONMENTAL RISK / C. Risk management/Climate risk management/ b. Measurement framework and scenario analysis/ Quantitative framework for measurement, monitoring and climate stress exercises
o)	Outputs of the risk assessment tools applied and estimated impact of environmental risk on the capital and liquidity risk profile	3.4.1 ENVIRONMENTAL RISK / C. Risk management/Climate risk management/ b. Measurement framework and scenario analysis/ Quantitative framework for measurement, monitoring and climate stress exercises
p)	Data availability, quality and accuracy and efforts to improve these aspects	3.4.1 ENVIRONMENTAL RISK / C. Risk management/Climate risk management/Quantitative framework for measuring and monitoring climate stress and exercises/Data sources used in the measurement
q)	Description of the environmental risk limits (as factors of prudential risks) that are established and the launch of escalation and exclusion procedures in case of non-compliance with these limits	3.4.1 ENVIRONMENTAL RISK / C. Risk Management/Measurement and Scenario Analysis Framework – Climate risk metrics (to be completed)
r)	Description of the relationship (transmission channels) between environmental risks and credit, liquidity and financing risk, market risk, operational risk and reputational risk within the risk management framework	3.4.1 ENVIRONMENTAL RISK/ C. Risk management.

/ TABLE 2. QUALITATIVE INFORMATION ABOUT SOCIAL RISK

	Qualitative information request	P3D 2025
Business strategy and processes		
a)	Adjustment of the business strategy employed at the Bank to integrate social factors and risks, taking into account the impact of social risk on the business environment, the business model, the strategy and financial planning at the Bank	3.4. CROSS-CUTTING ESG FACTOR (SUSTAINABILITY) / B. 2022-2024 Strategic Plan 2025-2027 SP 3.4.2 SOCIAL RISK / A. Business strategy and processes 3.4.2 SOCIAL RISK / C. Risk management / Activities and tools for the management of social risks
b)	Objectives, targets and limits for assessing and addressing short, medium and long-term social risk, and assessment of performance against these objectives, targets and limits, including forward-looking information in the design of the strategy and business processes	3.4. CROSS-CUTTING ESG FACTOR (SUSTAINABILITY) / B. 2022-2024 Strategic Plan 2025-2027 SP 3.4.2 SOCIAL RISK / A. Business strategy and processes 3.4.2 SOCIAL RISK / C. Risk management / Activities and tools for the management of social risks
c)	Policies and procedures related to direct and indirect engagement with new or existing counterparties in their strategies to mitigate and reduce harmful activities from a social perspective	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / D. Risk management
Governance		
d)	Responsibilities of the governing body to establish the risk framework, monitor and manage the implementation of targets, strategy and policies in the context of social risk management, including counterparty methods for: i) Activities aimed at the community and society (ii) Labour relations and standards iii) Customer protection and product liability (iv) Human rights	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / C. Governance / Sustainability governance model
e)	Integration of measures to manage social factors and risks in internal governance mechanisms, including the role of committees, the allocation of tasks and responsibilities, and the cycle of feedback between risk management and the management body	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / C. Governance / Sustainability governance model
f)	Information channels and frequency of information in relation to social risk	3.4. CROSS-CUTTING ESG FACTOR (SUSTAINABILITY) / C. Governance 3.4.2 SOCIAL RISK / C. Risk management / _Identification and assessment of social risks
g)	Harmonisation of the remuneration policy with the Bank's objectives related to social risk	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / C. Governance/ Remuneration

Risk management		
h)	Definitions, methodologies and international standards on which the social risk management framework is based	3.4.2 SOCIAL RISK / C. Risk management / Definition and identification of social factors / Definitions, methodologies and international standards
i)	Processes to define, measure and monitor activities and exposures (and collateral, where applicable) sensitive to social risks, including the relevant transmission channels	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / D. Risk management 3.4.2 SOCIAL RISK / C. Risk management / Definition and identification of social risks
j)	Activities, commitments and assets that contribute to mitigating social risk	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / D. Risk 3.4.2 SOCIAL RISK / C. Risk management / Activities and tools for the management of social risks
k)	Application of tools for the detection and management of social risk	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / D. Risk management 3.4.2 SOCIAL RISK / C. Risk management / Activities and tools for the management of social risks
l)	Processes to define, measure and monitor activities and exposures (and collateral, where applicable) sensitive to social risks, including the relevant transmission channels	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / D. Risk management 3.4.2 SOCIAL RISK / C. Risk management / Activities and tools for the management of social risks
m)	Description of the relationship (transmission channels) between social risks and credit, liquidity and financing risk, market risk, operational risk and reputational risk within the risk management framework	3.4.2 SOCIAL RISK / C. Risk management / Identification and assessment of social risks

/ TABLE 3. QUALITATIVE INFORMATION ON GOVERNANCE RISK

	Qualitative information request	P3D 2025
Governance		
a)	Integration by the Bank of the counterparty governance performance into its governance mechanisms, including the committees of the highest governing body and committees responsible for decision-making on economic, environmental and social matters	3.4. CROSS-CUTTING ESG FACTOR (SUSTAINABILITY) / C. GOVERNANCE 3.4.3 GOVERNANCE RISK B / A. Governance
b)	Accounting by the Company of the role played by the highest counterparty governance body in the presentation of non-financial information	3.4.3 GOVERNANCE RISK B / A. Governance 3.4.3 GOVERNANCE RISK / B. Risk management / Activities and tools for the management of governance risks
c)	Integration by the Bank of counterparty governance performance into its governance mechanisms, in particular: i) Ethical considerations ii) Strategy and risk management iii) Inclusion iv) Transparency v) Management of conflicts of interest vi) Internal communication on ethical concerns	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / D. Risk management 3.4.3 GOVERNANCE RISK B / A. Governance 3.4.3 GOVERNANCE RISK / B. Risk management / Activities and tools for the management of governance risks
Risk management		
d)	Integration by the Bank of counterparty risk management performance into its governance mechanisms, bearing in mind: i) Ethical considerations ii) Strategy and risk management iii) Inclusion iv) Transparency v) Management of conflicts of interest vi) Internal communication on ethical concerns	3.4. CROSS-CUTTING ESG (SUSTAINABILITY) FACTOR / D. Risk management 3.4.3 GOVERNANCE RISK / B. Risk management / Activities and tools for the management of governance risks

A. Treatment of ESG risks and management standards

ESG risks (environmental, social and governance) involve financial or reputational impacts due to factors traditionally considered as non-financial **.** Of these, the potentially most material in the short, medium and long term are those related to the adverse effects of climate change (**physical risks**) and those of the measures taken to combat it (**transition risks**).

There are transmission channels from ESG risks (especially climatic) **to credit risk** and other risks in the Corporate Catalogue (**operational, market, liquidity, reputational and business profitability**) that support their treatment as risk factors rather than **as stand-alone or independent risks.** This is also the approach mainly adopted by the financial institutions and regulators/supervisors alike.

ESG risk factors

Environmental Risks

Climate Transition risks
- Regulation
- Technological development
- Market variations

Climate Physical Risks

Acute
- Floods
- Fires

Chronic
- Temperature increase
- Changes in rainfall
- Increase in sea level

Non-climate environmental risks

Environmental degradation
- Loss of biodiversity
- Pollution
- Deforestation

Social risks
- Social policy changes
- Changes in market sentiment

Governance
- Inappropriate E&S risks
- Non-compliance governance framework

Channels of transmission

Corporates
- Damage to property and disruption of business
- Loss of value of assets and new expenses

Individuals
- Reduction in purchasing power
- Damage to property

Macroeconomics
- Changes to prices
- Changes in productivity
- Labour market frictions

Impact on risks

Credit risk
- Customer defaults
- Depreciation of collateral

Market risk
- Revaluation of equities, fixed income, commodities, etc.

Operational risk
- Changes in distribution chains, closure of branches, business continuity, damage to physical assets, compliance and conduct

Reputational risk
- Deterioration of competitive capacity due to deterioration of confidence

Liquidity risk
- Increase in demand for liquidity, Refinancing risk

Business profitability risk
- Results below market expectations for targets

Environmental, social, governance and economic effects

Economic and financial risk

B. Strategy

_2025-2027 Strategic Plan

In November 2024, CaixaBank presented its new Strategic Plan for the 2025-2027 period. Under this new Strategic Plan, the Group aims to maintain the course defined in the 2022-2024 Strategic Plan, while speeding up the pace to prepare for the future. CaixaBank will move towards two major objectives to ensure sustained profitability in the long term: On the one hand, to consolidate the leading market position and, on the other hand, to accelerate the transformation to prepare for a more digital and competitive environment. All of this, with the commitment to always remain close to people for a more sustainable society, with a distinctive ESG positioning.

The 2025-2027 Strategic Plan is underpinned by the three strategic lines to sustain profitability at high levels:

Regarding the third strategic line, CaixaBank aims to maintain its founding essence, remaining close to people for a more sustainable society, with two clear objectives:

- Making progress towards a more sustainable economy by increasing the mobilisation of sustainable funds and implementing portfolio decarbonisation objectives in line with the commitments made.
- Encouraging economic and social prosperity with a focus on three main areas: social and financial inclusion, employability and employment, as well as being a key player in financial and personal well-being in a society where life expectancy is progressively longer.

01. Growth acceleration

02. Business investment and transformation

03. Differential ESG positioning

a. Sustainability Plan 2025-2027

With the starting point offered by the Sustainable Banking Plan 2022-2024, in October 2024, the Board of Directors approved the new Sustainability Plan for 2025-2027. This Plan aims to preserve the progress made in the 2022-2024 Sustainable Banking Plan and embody CaixaBank's proposal to address challenges such as inequality, climate change and biodiversity loss, as well as the increase in conflicts and demographic changes.

All of this, against a backdrop that also offers opportunities that can have a positive impact on business and people's financial well-being. The Plan is structured around two ambitions and five lines of work, all of which have time and achievement milestones.

PS 25 - 27

01 Move towards a more sustainable economy

Investing in solutions for the transition, both now and in the future

- Renewable energy
- Clean mobility
- Efficient building
- Industrial decarbonisation
- Sustainable intermediation

Driving the decarbonisation of the social and business fabric

- Credit portfolio *net-zero* in 2050 (companies and households)
- Accompanying companies (customers and issuers)

02 Support the economic and social development of all people

Strenghthening social and financial inclusion

- Products and servicies for vulnerable segments
- Accesible financing and services in rural areas
- Financial education and health

Fostering employability and enterprise

- Training for employment
- Support for entrepreneurs and self-employed individuals

Providing answers to longer life expectancy

- Lifetime savings planning
- Financial and personal well-being for seniors

Complementary initiatives

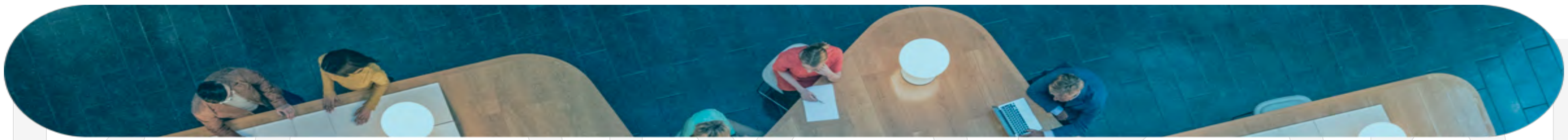
Support instruments	Anticipating trends	Robust sustainable governance

/ Targets, goals and limits

The 2025-2027 Sustainability Plan establishes the targets that the Group has set for the 2025-2027 period:

	2025E - 2027E targets	
Move towards a more sustainable economy	**Accumulated mobilisation in sustainable finance** (25-27, €M) - (CABK Group)	**>100.000**
	Achieve 17%[1] **financial income generated by sustainable financing** (CABK, formerly BPI)	**17%**
	Engage **with 90% of companies** with credit exposure in sectors within the Net Zero Banking Alliance (NZBA) perimeter by the end of 2024	**90%**
	Comply with **annual NZBA targets aligned with the 2030 pathways**, with annual assessment and establishment of action plans in case of misalignment.	**Annual**
Support the economic and social development of all people	**Number of people with an inclusive solution** promoted by the CaixaBank Group - (including social accounts, microcredits, mobile office users, etc.)	**Monitoring KPI**
	Help 150K people to **improve their employability and access to employment**, with specific solutions (students, self-employed and entrepreneurs, accumulated 25-27).	**150.000**
	Reach 33% of **customers aged 50 to 67 with long-term savings and pension products**	**33%**
	Recognition as the **best bank among listed banks in Spain with a market capitalisation of more than €10 billion for senior customers**. (Position based on accumulated results over the past 12 months NPS - Stiga BMKS benchmark study)	**#1**
Benchmark in sustainability	**Recognition of the main sustainability ratings among** leading European peers: Be positioned above the average for peers included in the Eurostoxx Banks in at least 3 of the 5 selected ratings and to maintain, for those where this is not achieved, the rating at the end of 2024 (MSCI, SP, Sustainalyrics, Fitch and ISS)&	**≥3**

1 Based on the closing information from 2024 and given the best quality of the available data, the target for 2027 has been re-estimated and set at 17%.



C. Governance

_Sustainability governance model

Sustainability governance in general is one of CaixaBank's priorities. The integration of ESG factors into the Group's business entailed the definition and review of policies, procedures and roles to ensure that ESG factors are taken into account in decision-making.

The Board of Directors is responsible for the approval, monitoring and regular assessment of the definition, development and implementation of the sustainability strategy, **as well as for the approval and monitoring of general sustainability policies.**

The Board of Directors has incorporated sustainability as one of the Group's strategic priorities and has approved a series of sustainability policies that define and establish the general principles, as well as the management and control objectives and guidelines that the Group must follow in terms of sustainability.

With the aim of achieving solid sustainability governance, a governance system has been established based on the structure of existing management bodies (such as the Steering Committee or the Global Risk Committee), granting them new responsibilities in the area of sustainability, and assisting them with the creation of new internal committees, specialising in the matter (such as the Sustainability Committee or other Steering Committees).

In addition, this governance system has enabled CaixaBank to meet its objective of implementing a coherent, efficient and adaptable ESG risk management governance model that oversees the achievement of the CaixaBank Group's objectives, in line with the ECB's expectations and best market practices.

The foundations of CaixaBank's governance model in its two spheres, that of the Governing Bodies in the strict sense and that of the Management Bodies, are essentially defined in the Corporate Governance Policy and other related policies, which apply to the companies that make up the CaixaBank Group.

This governance structure defines the goals and general management guidelines based on basic principles of ethical conduct and in line with the sustainable development requirements, the objective of which is to create long-term value shared with the different stakeholders involved in the Group's activities, taking into account the impacts, risks, and opportunities (IROs) related to sustainability.

In recent years, the integration of these strategic sustainability objectives into the Group's activities has entailed the approval and review of policies, procedures and roles to ensure that these pillars are considered in the decision-making process. To this end, the Group has been working on:

- Definition and updating of ESG policies.
- Establishing criteria, roles and responsibilities.
- Integration into the Group's systems and circuits.
- Measurement of performance and accountability.

To this end, the company's sustainability roles and responsibilities have been established in its corporate texts (primarily the Bylaws and Regulations of the Board of Directors) and in its internal sustainability policies.

Broadly, the Board of Directors is responsible for approving, supervising, and periodically assessing the definition, development, and implementation of the sustainability strategy. Likewise, the Appointments and Sustainability Committee oversees CaixaBank's performance in relation to sustainability issues, including the review and proposal to the Board for the approval of policies, declarations, and standards that develop the sustainability strategy. Furthermore, the Risk Committee proposes the Group's risk policy to the Board, which includes sustainability risks. The Audit and Control Committee's duties include supervising and assessing the process for preparing and presenting non-financial information and the effectiveness of internal control systems. It also oversees and assesses, in cooperation with the Risk Committee, the effectiveness of risk management systems, including social and environmental risks. The Remuneration Committee ensures the alignment of the Directors' and Senior Management's Remuneration Policy with the sustainability strategy.

At the same time, as part of the transfer of the criteria and principles of action in matters of sustainability to the internal management organisation at CaixaBank, an essential role is played by both the Steering Committee, which serves as a channel of communication (especially through the CEO) between the Board and Senior Management, as well as the various specialist Internal Committees that have been established and that must act under the principles of efficiency, coordination and specialisation, such as the Sustainability Committee or other Steering Committees whose objective is to promote the different lines of work such as the Net-Zero Banking Alliance (NZBA) Project.

The structure of the sustainability governance model is described in the following graphic:t

BOARD OF DIRECTORS

GOVERNING BODIES

Comission Audit (*) and Control
It monitors the completeness of the non-financial information and the effectiveness of internal control systems.

Comission Appointments and Sustainability
Oversees compliance with the Bank's environmental and social policies and rules

Comission Risks
It proposes to the Board the Group's risk policy, which includes ESG issues and advises it on risk management and control.

Comission Committee
Advises the Board on setting remuneration linked to ESG objectives.

MANAGEMENT BODIES

Comité Committee
Develop the strategy and lines of action in the field of sustainability.

Committee Committee
Approves the lines of action in the area of sustainability

Global Committee Committee
Globally manages, controls and supervises the risks in which the Group may incur

a. Governance Bodies

The Appointments and Sustainability Committee oversees the Company's activity in relation to sustainability, as well as the compliance with the Company's rules and policies in environmental and social matters, regularly evaluating and reviewing them, with the aim of confirming that it is fulfilling its mission to promote the corporate interest and catering, where appropriate, to the legitimate interests of remaining stakeholders, as well as submitting the proposals it considers appropriate on this matter to the Board and, particularly, submitting the sustainability/corporate responsibility policy for approval. The Committee also monitors that the Company's environmental and social practices are in line with its strategy and policies.

Risk Committee, responsible for proposing the Group's risk policy to the Board, which shall identify or determine, in particular, the various types of financial and non-financial risks, including sustainability risks.

Audit and Control Committee supervises the process of preparing and presenting the sustainability report contained in the annual Consolidated Management Report. In this regard, it will ensure the integrity of the content of the report and the correct application of the regulations and main frameworks of *reporting* on sustainability.

Remuneration Committee submits to the Board the proposal for setting variable remuneration linked, among other criteria, to ESG factors.

A list of the main decisions that fall within the remit of each of the different governing bodies mentioned can be found in section 03. "Corporate Governance" in the Sustainability Governance section and "Governance Bodies" subsection of the 2024 Consolidated Management Report.

b. Management bodies

The **Group incorporates sustainability** in its day-to-day business, both in customer relations and internal processes. The management bodies are responsible for defining, implementing and developing the strategy adopted by the Governance Bodies, which incorporates sustainability and climate change as one of its priorities, which is cross-cutting in nature and it is the responsibility of all areas of the Group to progressively incorporate it into their duties.

In recent years, CaixaBank has been working to integrate sustainability monitoring and management into its existing management structure.

Below is an overview of the management bodies that play the most important role. However, the entire Group is involved in achieving sustainability goals.

The CEO and the Management Committee are responsible for day-to-day management of sustainability issues, including the management and monitoring of material impacts, risks, and opportunities.

As part of the implementation of the sustainability strategy and its management and monitoring, **CaixaBank's Sustainability Department** is responsible for promoting sustainability across the Group and reports directly to the CEO; the Sustainability Committee oversees sustainability management; the Global Risk Committee is responsible for managing and monitoring ESG risks; and the Steering Committee is responsible for approving the sustainability strategy's lines of action.

Furthermore, the Group has a variety of specialist committees, most of which are subordinate, responsible for controlling, overseeing and managing the impacts, risks, and opportunities (IROs) included in their respective responsibilities.

To this end, the CEO and each of the Group's divisions responsible for managing IROs periodically report, through their most senior representatives who are members of the Management Committee to the Board of Directors and the relevant delegated committees on the progress made with these IROs.

In this way, the Group's sustainability governance model integrates the structure of the Governance Bodies with a cross-functional structure at an executive level. This governance model enables the Board and its Committees to have the necessary information to make appropriate decisions and carry out their supervisory and control functions.

The **Management Board** is the highest management body is responsible for developing the main lines of action within the scope sustainability.

Sustainability Committee is the management body reporting to the Management Committee responsible for approving and supervising CaixaBank's sustainability strategy and practices and monitoring them, as well as proposing and submitting general sustainability management policies for approval by the corresponding governing bodies. Its mission is to contribute to CaixaBank's recognition as a benchmark in sustainability, reinforcing its positioning through its sustainable banking model.

Global Risk Committee is the body reporting to the Risk Committee. It is responsible for the overall management, control and monitoring of ESG risks, among others, as well as their implications in terms of liquidity management, capital solvency and capital consumption. It is also tasked with identifying, measuring, assessing, managing, mitigating and appropriately reporting exposures identified as relevant in relation to ESG risks, as well as any aspect of the Group's operations that may significantly influence the ESG risk profile and compliance with established appetite levels.

The **Sustainability Department** is responsible for coordinating the definition, updating and monitoring of the Group's sustainability strategy, as well as updating CaixaBank's Principles of Sustainability, which shall be applicable to all staff, executives and members of the governing bodies to guarantee the Entity's transparency, independence and good governance, with a view to safeguarding the interest of people and the territory. The Sustainability Department is responsible for defining the principles of action in relation to ESG risk management, as well as advising on their application criteria, validating these criteria and transposing them into the corresponding analysis tools. It also assesses and analyses the Bank's participation in climate and sustainability associations.

The Sustainability Directorate has the following organisational structure:

- Sustainability Strategy and Monitoring.
- Sustainability Risks.
- Sustainable Business and Product Coordination.
- ESG Communication and Cross-cutting Projects.
- Climate Risk.

_Internal control framework

The CaixaBank Group's internal control framework is structured in accordance with the **Three Lines of Defence model**, which guarantees strict segregation of functions and the existence of several layers of independent control:

- The first line of defence is in the **operating units that effectively manage ESG risks**. These units are responsible for implementing internal ESG risk policies and procedures and proactively implementing measures to identify, manage, and mitigate these risks. ESG risk management encompasses the entire CaixaBank Group and serves as the first line of defence for ESG risk management, mainly through through the following departments:
    - **Sustainability**, responsible for defining the principles of action in relation to ESG risk management, as well as advising on their application criteria and translation into the corresponding analysis tools as well as the assessment and sign-off of ESG risks as part of customer admissibility.
    - **Business**, as originators of commercial activity with customers and of financing operations.
    - **Risks**, through the Environmental Risk Approval Department, responsible for the assessment and sanction of ESG risks in financing operations (as described in the scope of this Policy), except in cases in which powers reside with the originators or the Risk Approval Centres.
    - **Finance**, tasked with taking positions in fixed and variable income in markets.
    - **Accounts Management and Capital Control:** responsible for holdings in the capital of other companies, with the exception of BPI-dependent holdings and insurance holdings, for which responsibility lies with the Insurance Department. Likewise, for Group companies that adhere to the corporate policy, their governing and management bodies will be directly responsible for ensuring compliance with this Policy.

  CaixaBank has centralised teams of specialist analysts who are fully dedicated to performing assessments as part of customer onboarding processes (ESG Onboarding) and the financing operations approval process (environmental risk report).

  The assessment and sanction process applies equally to all financing activities carried out by the Group's companies included within the scope of the Policy, although with adaptations to the nature of the internal management process and taking into account materiality and proportionality criteria.

- The second line of defence ensures the **quality of the entire ESG risk management process**; it reviews the consistency of the processes related to these risks with the internal policy and public guidelines; it provides guidance on the design and review of processes related to ESG risks and on the controls established at the management units.

  Specifically, and **within the Banks own scope of action**, the **Corporate Risk Management Function Planning Department** ***acts as a second line of defence in the management of risks affected by cross-cutting ESG factors&*** in cases that have a real impact on the frameworks, limits, or approval policies for positioning, managing, or mitigating credit investment portfolios, financial portfolios, and any other type of financial risk assumption, including fiduciary risk; the Non-Financial Risk Department for operational and reputational risks; and the Compliance Department when there are regulatory implications (legal and regulatory risk).

- **The Internal Audit function**, as the third line of defence, is an independent and objective assurance and consulting function designed to add value and improve the Group's operations. It contributes to achieving the strategic objectives of CaixaBank Group, providing a systematic and disciplined approach to evaluating and improving risk control and management processes and corporate governance. Internal Audit oversees the activities of the first and second lines of defence so as to provide reasonable certainty to Senior Management and the Governance Bodies.

The Three Lines of Defence model is coordinated in the Group so that the internal control functions of the parent company carry out their mission with a consolidated view of the Group's companies. CaixaBank's *Corporate Risk Management Function & Planning&* and Internal Audit Departments, as the respective areas responsible for the risk management and internal audit functions in the parent company, assume the strategic guidance, supervision and coordination with regard to the respective internal control functions of CaixaBank Group companies, while safeguarding their own scope.

_Remuneration

In June 2024, the Board of Directors of CaixaBank **approved an update of the General Remuneration Policy**, which details the main characteristics of each element of remuneration and is available to all employees on the corporate intranet.

The principles of the General Remuneration Policy apply to all employees at CaixaBank Group companies. It is aimed at promoting behaviours. This ensures that long-term value creation and sustainable results. The talent attraction and retention strategy defined in the Policy is structured around facilitating employee participation in a distinctive social and business project, providing opportunities for professional development and offering competitive total compensation, regarding that remuneration models and practices are non-discriminatory regarding gender, age, culture, religion, or race, and that they guarantee a decent salary. The General Remuneration Policy includes measures to manage and integrate sustainability risks (ESG).

a. ESG metrics in variable remuneration schemes

In line with the responsible management model, **variable remuneration schemes (annual and long-term) for employees are tied to ESG factors**, such as Quality or Conduct and Compliance challenges, **the objective of mobilising sustainable finance, engagement with companies with credit exposure to NZBA sectors, recognition in the main Sustainability ratings and the percentage of women in senior management positions**. From January 2024, metrics linked to ESG factors will be applied to all CaixaBank, S.A. staff in their variable remuneration schemes.

The Chief Executive Officer is granted a risk-adjusted, performance-based variable remuneration scheme, which is awarded annually based on annual metrics, with a long-term adjustment through the establishment of multi-year metrics.

This scheme is based solely on achieving corporate targets. Performance measurement and result assessment include both annual factors—quantitative (financial) and qualitative (non-financial)—as well as multi-year factors that act as a reduction mechanism, adjusting the payment of the deferred portion linked to long-term metrics.

In line with our responsible management model, 30% of the Chief Executive Officer's annual variable remuneration award is linked to ESG factors, such as Quality or Conduct and Compliance challenges, Mobilisation of Sustainable Finance, engagement with companies with credit exposure to NZBA sectors, recognition in leading sustainability ratings and the percentage of women in senior management positions. Furthermore, in the adjustment with multi-year metrics of this variable remuneration, 25% is linked to the sustainability metric, which is composed of two different indicators. The Mobilisation of Sustainable Finance in the long-term and the percentage of women in management positions. These factors are also included in the calculation and adjustment of the variable remuneration of the members of the Management Committee, the rest of the Identified Staff.

30%

Linked to **ESG factors**

25%

tied to the multi-year challenge of **Mobilisation of Sustainable Finance and the long-term percentage of women in management positions**

In addition, part of the variable remuneration schemes for management at CaixaBank Group companies includes annual and multi-year measurement factors linked to ESG metrics. The annual factors include quality objectives, such as combined recommendation and customer experience metrics and the same multi-year metrics indicated for CaixaBank.

As explained in the 2024 Annual Directors' Remuneration Report and as discussed above, in connection with the Directors' Remuneration Policy for the 2025 financial year and the Variable Remuneration Scheme with Multi-Year Metrics, within the non-financial corporate criteria, the sustainability objective has been defined as follows.

As part of the annual remuneration scheme, sustainability is defined as a synthetic metric that encompasses four different indicators, each with a weight of 25%.

- **Mobilisation of sustainable finance**, in accordance with the objective of the 2025-2027 sustainability plan. The market effect will be eliminated when calculating the target, without changing the objective defined in the plan for the period.
- **Customers within the scope of NZBA**, with whom engagement efforts have been made to align borrowers with the commitments disclosed by the Bank.
- **Recognition of the main sustainability ratings** above the average of the peers included in the Eurostoxx Banks.
- **Percentage of women in management positions**.

To determine the variable remuneration awarded based on these annual factors (both financial and non-financial), described above, once 2025 comes to an end, the result of each metric will be compared against its target value, and depending on the degree of compliance, the variable remuneration to be received will be calculated by applying the corresponding degree of achievement scales, in accordance with the weighting associated with each indicator, based on the target value.

The resulting amount will constitute the variable remuneration linked to annual factors of each Executive Director, which will be subject to the conditions of the award, consolidation and payment system explained below.

In relation to the metrics associated with multi-year factors, the sustainability metric is defined as a synthetic metric that encompasses two different indicators.

- **Mobilisation of sustainable finance**, with a weighting of 75%, in accordance with the objective of the 2025-2027 sustainability plan. The market effect will be eliminated when calculating the target, without changing the objective defined in the plan for the period.
- **Percentage of women in management positions**, with a weighting of 25%.

The metrics indicated above will have associated compliance scales, so that if the targets set for each of them are not met within the three-year measurement period, they may reduce the deferred portion of the variable remuneration pending payment, but never increase it. In addition, the remaining conditions of the system when it comes to awarding, consolidating and paying variable remuneration to Executive Directors set out in the Remuneration Policy will apply to variable remuneration.

Finally, in line with our responsible management model, 30% of the CEO's variable remuneration is linked to ESG factors. 10% is linked to Sustainability-related indicators, 15% is linked to social indicators focusing on Quality and the Customer Experience and a possible 5% reduction is linked to Regulatory Compliance and Governance management. Furthermore, in the adjustment with multi-year metrics, 25% is linked to the mobilisation of sustainable finance in the long term.

D. Risk management

Sustainability risk (ESG) is currently included in the Corporate Risk Catalogue as a cross-cutting factor in several of its risks (business profitability, reputational, credit, legal and regulatory and other operational risks). Furthermore, climate risk has been incorporated as a level 2 of credit risk and environmental risk as a level 2 risk of reputational risk.

The assessment of the materiality of Sustainability Risks (ESG) is the basis for a proportionate deployment of its management processes and feeds into strategic processes and risk calibration.

The financial materiality analysis (outside-in) focused on the qualitative assessment of the main impacts that ESG factors may have on the traditional risks, such as, credit, liquidity, market, operational, reputational or business return, across the different portfolios.

_Corporate policy on sustainability/ESG risk management

In March 2025, the Board of Directors approved an update to the Corporate Policy on Sustainability/ESG Risk Management, which consolidated the previous Environmental Risk Management Policy and Corporate Policy on Relations with the Defence Sector and established the criteria for ESG analysis in the processes of customer admission and approval of the Entity's credit financing operations.

The **Corporate Sustainability/ESG Risk Management Policy establishes criteria for ESG analysis as part of the bank's customer admission and financing underwriting processes.** This policy governs the ESG risk management in admission processes and establishes general and sectoral exclusions linked to activities that may have a significant impact on human rights, the environment and the climate, for which CaixaBank will not assume credit risk. General exclusions apply to all customers (no new projects that have a negative impact on natural or cultural heritage, high-value biodiversity areas or areas susceptible to suffering water stress, or companies for which there is solid evidence that they use child or forced labour, have participated in human rights violations or do not have health and safety policies in place to protect their workers). Meanwhile sectoral exclusions apply to certain activities in the defence and security, energy, mining, infrastructure and agriculture, fisheries, livestock and forestry sectors.

The **pillars on which CaixaBank Group's ESG risk governance framework is based, which are established in the Corporate policy for managing sustainability/ESG risks**, are as follows:

- Compliance with the principles set out in the Corporate policy on sustainability/ ESG risk management by CaixaBank Group companies within their scope.
- CaixaBank's corporate supervision, as the Group's parent company.
- Alignment of strategies between Group companies, and alignment with best practices, supervisory expectations and current regulations.
- Maximum involvement of the Governance Bodies and management of Group companies.
- Internal control framework based on the three lines of defence model[1], which ensures strict segregation of functions and several layers of independent control.
- Incorporation into current processes for onboarding customers, issuing loans and proprietary investments, as well as enforcing the governance that applies to these processes in order to encourage greater and better integration of ESG criteria in decision-making and minimise redundant processes, which could hamper commercial or investing activities.

In addition, this policy regulates the management of ESG risks, including climate risks, within the customer admission and monitoring processes and includes the following lines of action:

1 See section 3.1.2 Internal control framework.

01

Define and manage an internal ESG risk management plan in line with the Group strategy.

02

Define and manage the implementation of a framework of admission, monitoring and mitigation policies to maintain a risk profile in line with this strategy.

03

Develop the analytical tools for ESG risks necessary for decision-making in customer and risk approval processes, for both corporate and project formats.

04

Monitor actions and operations with a potentially significant impact on ESG risks.

05

Encourage practices to mitigate ESG risks in portfolios within the scope of application of this Policy, and other types of actions (such as the issuance of green and social bonds).

06

Promote the implementation of systems to identify, score and measure exposure to ESG risks, in accordance with developments in the regulatory framework, social sensitivity to these risks and best practices in the market.

07

Assign roles related to ESG risk management in the current organisational structure, with the necessary segregation of functions to maintain independence between the areas responsible for the processes of defining strategy, analysis and approval of operations and monitoring and control of these risks.

08

Establish a system of powers for the admission of ESG risks, which allows them to be incorporated in an agile but rigorous manner into ordinary decision-making processes.

From the approval of the first version of this policy in 2019 to the present date, CaixaBank is analysing its customer portfolio with higher inherent ESG risks to comply with ESG risk management commitments and, especially, those exclusions envisaged in the policy related to the defence sector, high environmental risk or human rights (including workers' health and safety), among others. In other words, a holistic due diligence analysis is being carried out on customers with an ESG vision. Since 2023, a process has been under way to assess the clients in its portfolio by prioritising them according to higher inherent ESG risk.

Additionally, in the process of customer admission and approval of financing operations, and provided that the requirements established for the implementation phase applicable at any given time are met, an analysis of ESG risks of the customers and the operations is performed not only to guarantee compliance of the aspects strictly defined in the policy, but also others related to the company's control environment in the ESG area, the existence or absence of environmental and social controversies, its decarbonisation strategy, and compliance with the Equator Principles, where applicable. As a result of these ESG risk assessments, CaixaBank issues sanctions that may be decisive for the admission of customers and also for the granting of customer financing or project finance transactions.

In addition, recurrent training sessions are held for the business teams and the Risk Admission Centres in order to inform them of the circuits/controls implemented in the customer admission and financing application process.

_Methodology for assessing and sanctioning ESG risks when evaluating customers and financing operations

a. Determination of the ESG risk level

As with other risks that affect CaixaBank, the need to assess the ESG risks of customers, operations and assets begins by assessing the inherent risk, which is estimated based on certain characteristics, such as the NACE that is most representative of the Group's activity, the country of residence if it is of high ESG risk or the intended use of the funds.

b. ESG risk assessment process

The assessment of ethical matters, the strategy and risk management, inclusions, transparency, conflict management and internal communication regarding critical issues is conducted by means of ESG risk analyses that are integrated into the customer onboarding process (ESG onboarding) and the approval process for financing operations; for all customers and operations under the scope of the Corporate sustainability/ ESG risk management policy.

a. In the client admission process, an analysis of the ESG risk of clients is carried out to determine whether or not they comply with the criteria of this Policy, with a special focus on human rights, health and safety policies, dispute management and the defence and security sector. This analysis is updated every 12 months.
b. In the approval process for financing operations, an analysis of the ESG risks associated with the customer's activity is carried out, supplementing the assessment performed during customer onboarding and ensuring adherence to the Policy. If the financing is intended for specific projects, an assessment is carried out according to the type of asset to be financed.

As part of the analysis, consideration is given to environmental, social and governance risks, including aspects related to the company's ESG control framework and the existence or otherwise of ESG issues, the decarbonisation strategy, as well as compliance with the Equator Principles, if applicable. In other words, a holistic due diligence analysis is carried out on customers with an ESG vision.

For all customers and projects analysed, it is assessed whether environmental mitigation actions are in place to reduce or mitigate the environmental and social impacts arising from the activities.

To complete this analysis, information is consulted through public sources and external ESG information providers, especially regarding the disputes related to the criteria subject to exclusion in this Policy. In addition, a Controversies Working Group made up of ESG experts and the Reputational Risk Service has been set up (see section below on the ESG dispute management circuit).

CaixaBank makes the utmost effort to obtain sustainability information from its customers, and it also uses information from external ESG information providers as a basis for decision-making. However, CaixaBank still depends on the availability and reporting of updated and quality information.

If, during the analysis process, insufficient evidence is found to answer the various questions or if clarification with the customer is necessary, additional documentation or a signed statement from the customer may be requested, taking into account criteria of materiality and proportionality.

The CSRD will contribute to this evaluation process, as it will enable CaixaBank to obtain more information on the customers' ESG risk management.

To ensure the correct implementation of these processes, CaixaBank also has procedures and operating guides, which are updated each year. There are also specific controls in systems for the processes of customer admission and admission of financing operations, which are complemented by *dashboards* with KRIs that enable monitoring of the effectiveness of the assessment processes.

c. Consequences of ESG risk assessment

As a result of the ESG risk assessments, CaixaBank may resolve a sanction that will be decisive for the onboarding of the customer (ESG onboarding) and also for the granting of financing operations to customers or project financing (Environmental Risk Report).

In addition, the idiosyncratic component of each company is the most relevant factor in the governance risk's impact on credit risk; therefore, its assessment is included in the internal rating models applied by the Corporate Rating unit.

_ESG controversies management circuit

In 2023 CaixaBank approved, and updated in 2024, a new circuit for intragroup coordination in relation to serious ESG disputes[1] linked to companies with which the Group has or seeks to have a position and which could potentially involve a violation of the Corporate Sustainability Risk Management Policy or other policies. To this end, a delegated working group of the Sustainability Committee has been set up to analyse and give an opinion on the seriousness of the potential violation. Alerts regarding potential controversies may come from external or internal sources. This working group analyses any alert corresponding to issuers with which CaixaBank has an active position of its own (ALM, Treasury & Funding or investee&); has a contractual relationship; is a customer or is in the process of being studied and/or is in the active positions of customers with advised portfolios. Following this analysis, the working group decides or submits its decision to the Sustainability Committee (or Management Committee) to assess the seriousness of the controversy and propose response strategies for each of the Group's units with a position in the company related to the controversy.

1 For example, controversies related to nature (biodiversity, land use, etc.), energy and climate change, water stress, pollution and waste, impact on local communities, human rights, civil liberties, child labour, discrimination, freedom of association, occupational health and safety, quality of products and services, consumer relations, supply chain management, anti-competitive practices, privacy and data security, fraud and bribery, controversial investments, governance structures or others related to the environmental, social or governance scopes.

_Equator Principles

The Equator Principles were established to identify, assess and manage potential environmental and social risks, including those related to human rights, climate change and biodiversity.

a. Scope

- Project finance and project finance advisory services where total project capital costs are at least US$10 million or more.
- Project-related corporate loans with a total aggregate loan amount of at least US$50 million, an individual commitment by CaixaBank of at least US$50 million, and a loan term of at least two years.
- Bonds linked to projects with an amount of an amount of at least US$10 million.
- Bridging loans with a term of less than 2 years to be refinanced through project finance or a corporate loan linked to a project that meets the above criteria.
- Refinancing and acquisition of projects that meet certain requirements (the original project was financed under the Equator Principles, there have been no material changes to the project's scope, and the project has not been completed at the time of the financing arrangement).

b. Scope of application

- Projects entailing potentially significant and irreversible risks or impacts for which no viable action plan can be envisaged, or that conflict with corporate values, are rejected.
- In other instances, an independent expert is appointed to evaluate each borrower's social and environmental management plan and system. Projects are classified into categories A, B and C depending on the potential risks and impacts detected during the due diligence process, which involves teams from the sales and risk areas, and independent external experts.

In 2024, CaixaBank financed 23 projects with a total investment of 21,144 M billion euros, with its share being 2,025M billion euros. The assessment for the classification of the projects is performed with an independent expert. The operations financed are shown in the following table:

	2024		2023	
	Units	€M	Units	€M
Category A[1]	2	296	3	346
Category B[2]	11	927	3	225
Category C[3]	10	802	4	270
Total	**23**	**2.025**	**10**	**841**

1 Projects with potentially material environmental/social impacts.
2 Projects with limited and easily mitigated potential ESG impact.
3 Projects with minimal or no adverse social or environmental impacts, including certain financial intermediary projects with minimal or no risk.

3.4.1. ENVIRONMENTAL RISK

A. Business strategy and processes

As part of the Sustainability Master Plan, CaixaBank has an environmental and climate strategy **whose aim is to contribute to the transition to a carbon neutral economy** by financing and investing in sustainable projects, managing environmental and climate risk and reducing the direct impact of its operations.

The deployment of the Environment and Climate Strategy was incorporated into the Sustainability Master Plan 2022-2024, in order to **actively manage environmental and climate change risks and move towards net zero emissions.** .

Considering the complementarity of emissions reduction with economic growth, the transition to a carbon-neutral economy not only involves risks for companies, but also presents business opportunities. To make them a reality, it is necessary to continue offering viable solutions that meet the expectations and needs of our customers and stakeholders. As part of these solutions, for years, CaixaBank has been playing an active role in financing renewable energy, infrastructure and sustainable agriculture projects. Socially responsible investment has been promoted through the asset manager and pension plan manager (For further information, see the section "Sustainable Business" of CaixaBank's 2023 Consolidated Management Report).

Climate change has such a far-reaching impact that it requires a public-private partnership and a multi-sector approach. CaixaBank regularly participates in working groups and associations dedicated to advancing environmental issues, including *United Nations Environment Programme Finance Initiative* (UNEP FI[1]) and the Spanish Green Growth Group.

In addition, CaixaBank's Climate Change Statement, approved and updated by its Board of Directors in February 2024, reflects the Entity's environmental and climate commitment through the following lines of action:

Supporting feasible projects that are compatible with a carbon-neutral economy and climate change solutions.

Managing climate change risks and progressing towards emission neutrality in the lending and investment portfolio.

Minimising and offsetting the operational carbon footprint.

Fostering dialogue on sustainable transition and collaborating with other organisations to progress together.

Reporting progress in a transparent manner.

In February 2024, CaixaBank's Board of Directors approved a Statement on Nature, which sets out the main lines of actions to address in the upcoming years:

- Assessment of impacts, dependencies and the materiality of risks (portfolio focus).
- Taking nature into account in the management of sustainability risks.
- Customer support (business solutions and *engagement*).
- Integration in the management of operational impacts (waste management, plastics, water consumption, etc.).
- Staff training (focus on specialised teams).
- Active dialogue with stakeholders (issuers, regulators, customers).
- Participation in collaborative initiatives.
- Transparency and *reporting*.

1 United Nations Environment Programme Finance Initiative.

Climate change also presents business opportunities in the mobilisation of capital towards investments that pursue sustainable and inclusive growth. CaixaBank offers its customers products that integrate environmental, social and governance criteria and promotes environmentally sustainable activities that contribute to the transition to a low-carbon economy.

CaixaBank has a Financing Framework linked to the SDGs (CaixaBank Sustainable Development Goals (SDGs) Funding Framework), under which it issues financial instruments, such as bonds, that finance the bank's green, social or sustainable financing activity. To promote the origination of green, social, sustainable transactions by the Bank's business teams, the Bank has an internal incentive mechanism in place to promote sustainable financing. The application of this incentive for green assets came into force in 2022 and its extension to social assets in 2023.

In this way, business areas are more aware of the positive impacts that can be generated through financing activities, including the financing of activities that contribute to climate change mitigation and adaptation[1] .

In line with its sustainable banking model, CaixaBank is committed to integrating sustainable criteria into its investment, understood as investment that not only offers economic returns for investors, but also promotes management that is coherent with the creation of value for society at large, pursuing a social and environmental benefit[2].

_Targets, goals and limits

With regard to the net zero emissions target, in April 2021 CaixaBank became a founding member of the NZBA led by UNEP FI, in which the Bank undertakes to align its financing and business strategy with the Paris Agreement. To do so, CaixaBank has publicly committed to achieving net zero emissions by 2050 and to publishing intermediate decarbonisation targets for 2030.

The first 2030 decarbonisation targets for the power generation and oil and gas sectors were disclosed in October 2022. In 2023, decarbonisation targets were published for iron and steel and automotive. In addition, a coal phase-out target was published. In 2024 the last decarbonisation targets were published for the residential and commercial real estate, aviation, shipping and agroindustry sectors. Furthermore, the non-materiality of the aluminium and cement sectors was also determined (see table on page 130.)

For details on the design of the objectives, see CaixaBank website: Environment and climate strategy

1 For further details, see section "Mobilisation of sustainable finances" and section "Green Taxonomy" under section Sustainable Business of the Management Report of December 2024.
2 For further details, see section "Responsible investment" in section Sustainable Business of the Management Report of December 2024.

_Environmental Management Plan

The **new 2025-2027 Environmental Management Plan** maintains the main lines of action pursued by the previous Plan, with a focus on mitigating the environmental impact of the Group's own activities, measuring their impact through carbon footprint calculations and prioritising their reduction through initiatives related to efficiency, the circular economy, engagement with the value chain, sustainable mobility, and the implementation of new certifications. The 6 lines of action in the new Plan are as follows:

- **01** Climate change
- **02** Greening of procurement and contracting
- **03** Commitment to the circular economy
- **04** Sustainable Mobility Plan
- **05** Promoting efficiency
- **06** Renewal of voluntary certifications and extension of their scope

CaixaBank has established its emissions reduction targets[1] through internal criteria and studies, based on its own analysis of its environmental impact and the specific characteristics of its activity.

Action plans	Objectives[2]	2025		2026		2027		2028	
	All reduction targets are based on data for 2024	CaixaBank	CaixaBank Group	CaixaBank	CaixaBank Group	CaixaBank	CaixaBank Group	CaixaBank	CaixaBank Group
Carbon footprint mitigation strategy	Reduction of Scope 1 emissions (tonnes CO2)	-9.00%	-4.00%	-12.00%	-6.00%	-16.00%	-7.00%	-22.00%	-10.00%
	Scope 2 emissions (market-based method) (tonnes CO2)	—%	—%	—%	—%	—%	—%	—%	—%
	Reduction of Scope 2 emissions (Location Method) (tonnes CO2)	-5.00%	-4.00%	-8.00%	-6.00%	-10.00%	-7.50%	-15.00%	-11.00%
	Reduction of Scope 1+2 emissions (market-based method) (tonnes CO2)	-9.00%	-4.00%	-12.00%	-6.00%	-16.00%	-7.00%	-22.00%	-10.00%
	Reduction of Scope 1+2 emissions (Location Method) (tonnes CO2)	-6.00%	-4.00%	-9.00%	-6.00%	-11.00%	-7.50%	-16.00%	-11.00%
	Carbon footprint offsetting - Scopes 1, 2 and 3.6 (corporate trips)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
	Consumption of renewable energy (kWh)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Promoting efficiency	Saving in energy consumed (kWh)	-5.00%	-4.00%	-8.00%	-6.00%	-10.00%	-7.50%	-15.00%	-11.00%

1 CaixaBank has established the emission reduction targets for Scopes 1 and 2 applying the same perimeter as that reported for these scopes in the CaixaBank Group's Operating Footprint; therefore, 100% of Scopes 1 and 2 of the footprint are covered by the decarbonisation targets.
2 The Sustainability Committee is responsible for monitoring the targets set in relation to the operational footprint.

B. Governance

The **decarbonisation targets have been approved by the governance bodies** and performance is monitored on a monthly basis by the Sustainability Committee and the Global Risk Committee.

Additionally, both the Management Committee and the corresponding Governance Bodies (Appointments and Sustainability Committee, Risk Committee) are informed annually on the trend in metrics. At the operational level, groups have been set up for the different business areas meeting weekly to assess the suitability of operations with an impact on NZBA metrics based on annual management objectives. The groups include members from the areas of Environmental Risk Assessment, Risk Management Function, Business Operations and Climate Risk.

C. Risk management

Acute or chronic climate events (physical risks), changes in regulation, technological development or changes in market preferences, (transition risks) are transferred, both in terms of microeconomics and macroeconomics, through the value and performance of the assets, damage, purchasing power, productivity, prices or rising legal and compliance costs, to the main prudential risks (credit, market, operational, reputational, liquidity and business profitability risks). The same applies to phenomena related to nature. Therefore, environmental risks are considered to materialise impacts on these risks, mainly through the exposure of financial institutions to their counterparties (non-financial companies and individuals).

_Identification and assessment of climate risks

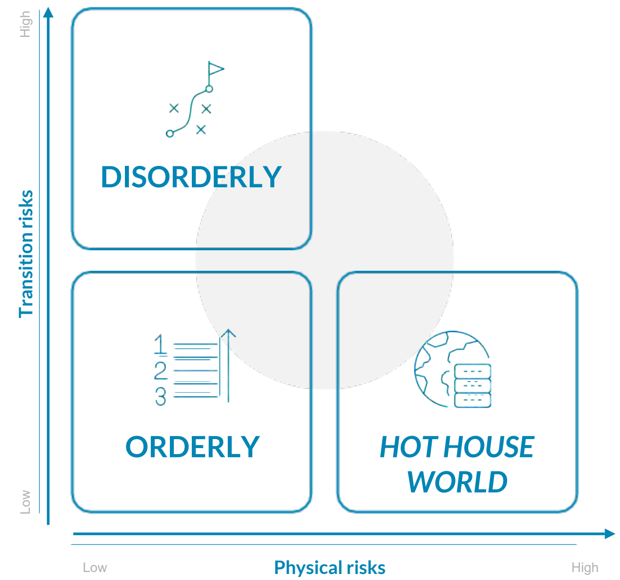
Due to the special characteristics of climate risks, **the climate risk assessment is based on various climate change scenarios** and different time horizons.

The *Network for Greening the Financial System* (NGFS) has defined climate scenarios that provide a common starting point for analysing the risks of climate change in the financial system and the economy and CaixaBank has considered them in its materiality assessment, in line with supervisory expectations:

> **Orderly transition:** An orderly transition scenario involves introducing climate policies early and with increasing depth and scope so that the 1.5°C global warming limit is achieved. Physical and transitional risks are both relatively moderate.

> **Disorderly transition:** The disorderly transition scenario involves a significant increase in transition risks due to delays in climate policies or divergences between countries or sectors. This involves measures being adopted from 2030 or at a relatively late stage with respect to the schedules in current climate and environmental regulations. While this increases the transition risk, the physical risk remains relatively low, as the 2°C global warming limit is achieved.

> **"*Hot House World*"** (elevated level of global warming)[1]: This involves the application of very limited climate policies in just a few countries, areas or sectors, so that the global efforts are insufficient to avoid global warming, with resulting incremental and significant physical climate effects. The transition risk is limited in this scenario, but the physical risk is very high, with irreversible impacts.



Under the orderly transition scenario, the main impacts of climate risk are concentrated in the long-term in credit portfolios of legal entities as shown in the following table.

1 Goal of limiting the temperature increase in 2100 to 1.5°C above pre-industrial levels.

/ CLIMATE RISK ANALYSIS MATRIX - ORDERLY TRANSITION SCENARIO

		TRANSITION RISK			PHYSICAL RISKS		
		ST	MT	LT	ST	MT	LT
Credit risk	CIB SEGMENT	Medium-low risk	Medium risk	Medium risk	Low risk	Medium-low risk	Medium risk
	BUSINESS SEGMENT	Medium-low risk	Medium-low risk	Medium risk	Medium-low risk	Medium-low risk	Medium risk
	MORTGAGE SEGMENT	Low risk	Medium-low risk	Medium risk	Low risk	Low risk	Medium risk
	CONSUMPTION SEGMENT	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
Other risk	MARKET	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
	OPERATIONAL	Low risk	Medium-low risk	Medium-low risk	Low risk	Low risk	Medium-low risk
	REPUTATIONAL	Low risk	Medium-low risk	Medium-low risk	Low risk	Low risk	Low risk
	LIQUIDITY	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
	BUSINESS/STRATEGY	Medium-low risk	Medium-low risk	Medium-low risk	Low risk	Low risk	Low risk

The results of the risk analysis in the disorderly transition and Hot House World scenarios are shown below.

/ CLIMATE RISK ANALYSIS MATRIX - DISORDERLY TRANSITION SCENARIO

		TRANSITION RISK			PHYSICAL RISKS		
		ST	MT	LT	ST	MT	LT
Credit risk	CIB SEGMENT	Medium-low risk	Medium-high risk	Medium-high risk	Low risk	Medium-low risk	Medium risk
	BUSINESS SEGMENT	Medium-low risk	Medium-high risk	Medium-high risk	Medium-low risk	Medium-low risk	Medium risk
	MORTGAGE SEGMENT	Low risk	Medium-low risk	Medium-low risk	Low risk	Low risk	Medium risk
	CONSUMPTION SEGMENT	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
Other risk	MARKET	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
	OPERATIONAL	Low risk	Medium-low risk	Medium-low risk	Low risk	Low risk	Medium-low risk
	REPUTATIONAL	Low risk	Medium risk	Medium risk	Low risk	Low risk	Low risk
	LIQUIDITY	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
	BUSINESS/STRATEGY	Medium-low risk	Medium risk	Medium risk	Low risk	Low risk	Low risk

/ CLIMATE RISK ANALYSIS MATRIX - *HOT HOUSE WORLD* TRANSITION SCENARIO

		TRANSITION RISK			PHYSICAL RISKS		
		ST	MT	LT	ST	MT	LT
Credit risk	CIB SEGMENT	Low risk	Medium-low risk	Medium-low risk	Low risk	Medium risk	Medium-high risk
	BUSINESS SEGMENT	Low risk	Medium-low risk	Medium-low risk	Medium-low risk	Medium risk	Medium-high risk
	MORTGAGE SEGMENT	Low risk	Medium-low risk	Medium-low risk	Low risk	Low risk	Medium-high risk
	CONSUMPTION SEGMENT	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
Other risk	MARKET	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
	OPERATIONAL	Low risk	Medium-low risk	Medium-low risk	Low risk	Medium-low risk	Medium risk
	REPUTATIONAL	Low risk	Medium-low risk	Medium-low risk	Low risk	Low risk	Low risk
	LIQUIDITY	Low risk	Low risk	Low risk	Low risk	Low risk	Medium-low risk
	BUSINESS/STRATEGY	Low risk	Medium-low risk	Medium-low risk	Low risk	Low risk	Medium-low risk

Low risk — Medium-low risk — Medium risk — Medium-high risk — High risk

ST. Short term (up to 4 years) MT. Medium term (4 to 10 years) LT. Long term (over 10 years)

_Identification and assessment of other risks related to nature

The analysis of environmental risks not arising from climate has focused on the impacts on nature (loss of biodiversity, water, deforestation, pollution, etc.). Nature can impact traditional risk through five drivers: Changes in land use, natural resource use and exploitation, climate change, pollution and invasive species. To perform this analysis, a methodology similar to that used to analyse climate risks has been used, in which a distinction is made between physical and transition risks, related to the direct impact of damage to nature and the fight to avoid it. Both type of risk have an impact on the main traditional risks.

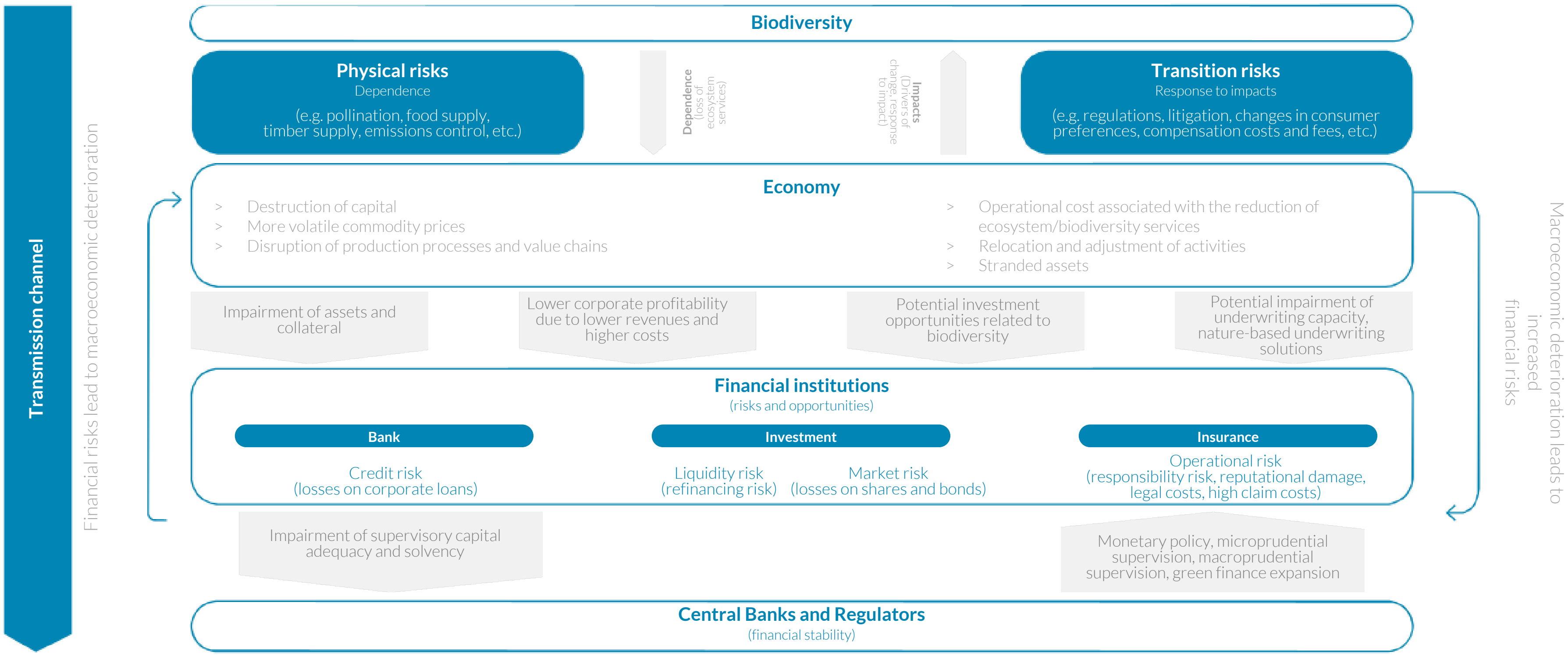
/ ANALYSIS MATRIX FOR OTHER ENVIRONMENTAL RISKS

		Transition risks			Physical risks		
		CP	MP	LP	CP	MP	LP
Credit risk	CIB SEGMENT	Medium-low risk	Medium risk	Medium risk	Medium-low risk	Medium-low risk	Medium risk
	BUSINESS SEGMENT	Medium-low risk	Medium-low risk	Medium risk	Medium-low risk	Medium-low risk	Medium risk
	MORTGAGE SEGMENT	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
	CONSUMPTION SEGMENT	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
Other risks	Market	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
	Operational	Low risk	Medium-low risk	Medium-low risk	Low risk	Low risk	Low risk
	REPUTATIONAL	Medium-low risk	Medium risk	Medium risk	Medium-low risk	Medium risk	Medium risk
	LIQUIDITY	Low risk	Low risk	Low risk	Low risk	Low risk	Low risk
	BUSINESS/STRATEGY	Medium-low risk	Medium-low risk	Medium risk	Medium-low risk	Medium-low risk	Medium-low risk

Low risk — Medium-low risk — Medium risk — Medium-high risk — High risk

CP: Short term (up to 4 years)
MP: Medium term (4 to 10 years)
LP: Long term (over 10 years)

Under these criteria, it is considered that the main impacts of other environmental risks are concentrated in the credit risk, in the medium and long term and for legal entities portfolio. There is also an impact in reputational risks.

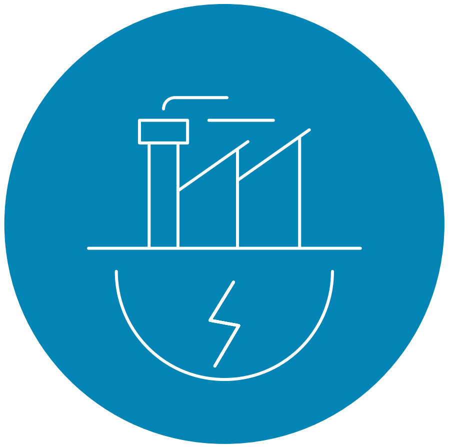


_Environmental risk management

Following the assessment of environmental risks and given the lesser materiality of non-climatic risks, the phased deployment of ESG risk management at CaixaBank has prioritised climate risks as detailed below. However, CaixaBank the non-climatic environmental risks are already being actively managed through the following levers:

- Incorporation into risk approval processes through application of the Corporate Sustainability/ESG Risk Management Policy. The environmental risks covered by this policy include natural heritage and biodiversity. CaixaBank recognises that the economic activities of its customers may have substantial impact on areas of high biodiversity value, sensitive ecosystems, areas susceptible to water stress, or national and internationally protected areas. The Bank therefore includes this consideration in its sustainability risk management, with the aim of minimising the impact of its portfolio on the natural environment.
- Application of the Equator Principles to specific operations, with potential environmental and social risks, including those related to human rights, climate change and biodiversity.
- Management and outreach regarding climate risks and opportunities: CaixaBank aims to align disclosure on nature-related risks and opportunities with the recommendations of the *Taskforce on Nature-related Financial Disclosure* (TNFD). In this regard, during 2022 and 2023, CaixaBank has participated in one of the pilot projects launched by TNFD and coordinated by UNEP FI, which is working on the draft TNFD framework.

In 2024, the impacts, dependencies, risks and opportunities related to nature were analysed in further detail.



_Climate risk management

CaixaBank's management and analysis of climate risks is in line with market best practices, the regulatory framework, and the recommendations of key stakeholders. The supervisory expectations for risk management and disclosure in the European Central Bank's Guide on climate-related and environmental risks of November 2020 are also particularly relevant, and action plans and implementation schedules have been established to ensure that their processes are aligned with supervisory expectations. Thus, in general terms, the actions outlined below aim to integrate climate risks into the organisation's overall risk management.

a. Corporate sustainability/ESG risk management policy

As explained in the cross-cutting ESG risk section, the Corporate Sustainability/ESG Risk Management Policy sets out the general and sector-specific exclusions linked to activities that may have a significant impact on ESG factors. In the case of environmental risk, the following restrictions on finance are significant in the energy sector:

Oil	Gas
Companies with revenues >50% from exploration, extraction, transportation, refining, coking and oil-fired power generation, unless they promote energy transition with a robust transition strategy or operations are geared towards financing renewables.	Companies with income >50% from exploration, extraction/production, liquefaction, transport, regasification, storage and electricity generation with natural gas, unless they promote the energy transition with a solid transition strategy or operations are aimed at financing renewable energies.
Medium-term lending requested by new or existing customers for exploration, extraction, transportation, refining, cokeries or oil-fired electricity generation.	Long-term lending requested by new or existing customers for exploration, production, liquefaction, transport, regasification, storage or generation of electricity from natural gas.

In addition, for the sector, the 2030 coal phase-out was approved.

Furthermore, CaixaBank will not assume credit risk in new projects related to the exploration, production or transportation of oil and gas in the Arctic region; exploration, production, processing or transportation of tar sands; exploration and production of oil and gas in deep water; exploration and production of shale oil and gas; extraction by fracking; construction, development or expansion of coal-fired power plants, nuclear power plants or uranium enrichment facilities, among others[1]. The perimeter of the policy affects companies: i) with which it is considering establishing commercial relations, enter into new credit or guarantee operations or renew/renegotiate existing ones, as well as other financing transactions; ii) companies in which it invests on its own accord in fixed-income and variable-yield securities; and iii) Group companies managed through the equity portfolio.

This analysis process also includes issues related to categorisation and compliance in relation to the Equator Principles, to which CaixaBank became a signatory in 2007.

1 See full details in Principles for action in the Corporate Sustainability/ESG Risk Management Policy

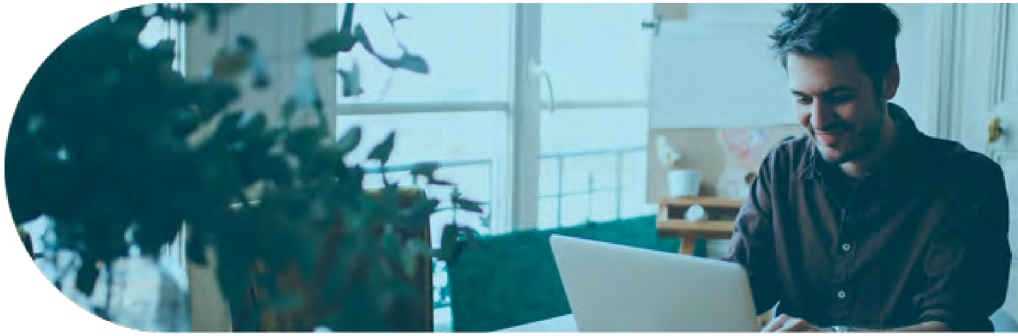
b. Measurement framework and scenario analysis:

/ Qualitative scenario analysis

CaixaBank conducts scenario analyses for climate risks at a qualitative level in the form of *heatmaps*.

For transition risk, **the qualitative analysis** focuses on the **identification of the segments potentially most affected by transition risk** in the material risk sectors of the portfolio. In particular, the analysis is carried out for the most emission-intensive sectors: electricity, oil and gas, aviation, shipbuilding and automotive, commercial and residential real estate, cement, iron and steel, aluminium and agriculture. The greatest impacts are identified for these sectors by studying the main risk variables and establishing heatmaps for different time horizons (2025, 2030, 2040 and 2050) for transition scenarios compatible with the Entity's decarbonisation commitments (1.5°C scenarios in geographies committed to zero net emissions by 2050). The heatmaps for these sectors incorporate an analysis broken down by activity at the CNAE level within the value chain of each sector.

With regard to **the assessment of physical risks derived from climate change**, and given that Spain is one of the regions affected by these risks, a qualitative analysis has been carried out on the mortgage portfolio and the portfolio of legal entities according to the customers' economic activity. The impact on the individuals portfolio is considered to be of low materiality, given that mortgage guarantees are mainly located in low risk areas (urban environment). With regard to climate events' impact on companies' financial statements, the probability of which depends on the location of production sites and the nature of the activity, the sectors most affected are agriculture (droughts), construction (heat waves) and transport (coastal flooding). Among the sectors with the greatest exposure at CaixaBank, construction is the one most affected by physical risks. Between late 2023 and early 2024, CaixaBank participated in the *one-off analysis exercise* of the **climate risk scenario Fit-for-55** being conducted by the EBA. The objective of the exercise was to assess the resilience of the European Union (EU) banking system to the potential impact of climate risks, in line with the European Commission's mandate under its Renewed Sustainable Finance Strategy.



/ Quantitative framework for measurement, monitoring and climate stress exercises

CaixaBank has a quantitative framework for measuring the impact of climate risks on credit risk. This projects and monitors climate risk impacts on credit risk, with the aim of strengthening the comprehensive climate risk assessment process. This initiative is part of the materiality assessment and ensures robust consistency in risk management.

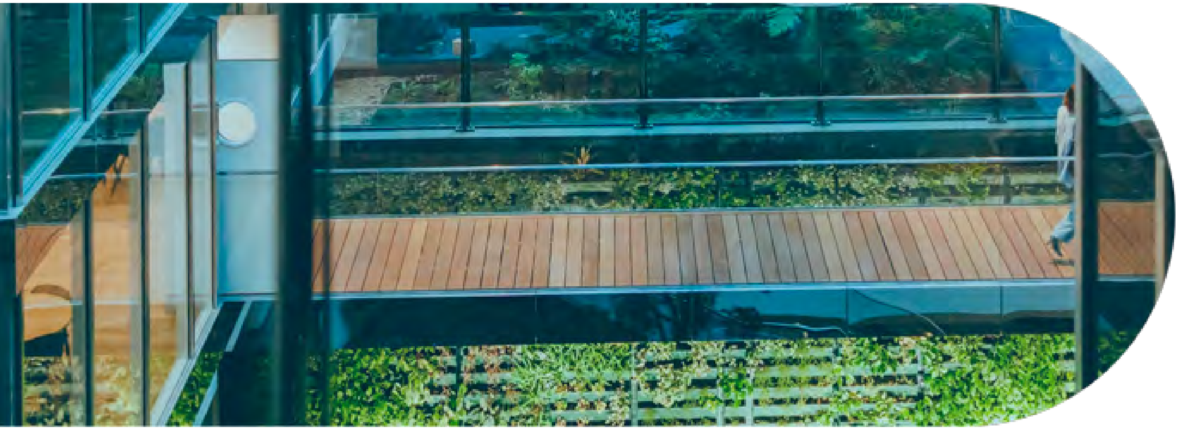
This framework covers a wide range of physical risks as well as transition risk, measuring their impact on the credit parameters they affect: Both the probability of default (PD) and the loss given default (LGD):

Physical risks

- **Probability of default (PD):** Increase resulting from interruptions in economic activity caused by events such as floods, fires, or prolonged droughts. These interruptions can result in lost revenue or significant damage to customers' assets.
- **Loss given default (LGD):** Reduction in the value of mortgage guarantees (natural and legal persons) due to potential damages they may suffer as a result of the events described above.

Transition risks

- **Probability of default (PD):** Increased probability of default due to the need to adapt to a low-carbon economy. For customers in the productive activities segment, this may be due to increased costs (emission costs, CAPEX investments) or reduced revenue.
- **Loss given default (LGD):** Negative impact on the value of mortgage collateral due to the mismatch between their energy efficiency and the expected energy efficiency according to European standards. The impact of climate change, and specifically physical and transition risks, on the aforementioned credit risk parameters is calculated primarily using scenario analysis as a tool. The scenario analysis conducted by CaixaBank to determine this impact is described below.



Physical risk measurement

The methodology designed to identify exposures subject to physical risk is based on the projection of climate events, including forest fires, river and coastal flooding, droughts, heat waves, and other phenomena related to climate change, in the geographical area in which CaixaBank is exposed and the impact these may have on the Group's operations and financial results.

For this purpose, projected probability of occurrence maps are developed by physical hazard event (river or sea flooding, fire, drought or heat wave) showing exposure by postcode, for different climate scenarios (orderly transition, disorderly transition and *hot house world*) and covering different time periods. The data sources used to construct these maps come from official organisations, both national and international. This ensures that the data used is reliable and aligned with global standards for climate risk assessment.

Once the probability maps have been generated, the companies' mortgage loan portfolios and production centres are subject to assessment according to the affected geographic areas, with a view to identifying their specific exposure to physical risks. This cross-referencing of data allows each owner and non-financial company to be assigned a probability of occurrence for each physical risk identified. This offers a detailed view of the assets' vulnerability to extreme weather events.

These variables are projected in the long term (2050) and under the three climate scenarios selected by CaixaBank (see section on identifying climate risks) from the 7 provided by the *Network for Greening the Financial System* (NGFS).

Finally, based on these probabilities of occurrence of climate events and their severity, the impact of physical risks on each of the credit risk parameters is estimated:

- **Probability of default (PD):** The impact on the credit quality of customers is estimated at both sectoral and individual level. Using probability maps and other data from reputable sources, used to determine the severity of physical risks, it is determined how various climatic events, such as prolonged droughts or extreme heat waves, can directly affect a company's ability to operate or the stability of its real estate assets.
- ***Loss given default* (LGD):** the impact that physical risks may have on the future value of collateral is estimated. This impact is quantified through estimated haircuts in the appraisal values of these properties.

Transition risk measurement

The assessment of transition risk makes it possible to quantify its impact on the credit quality of companies, considering key factors such as carbon emissions, prices, decarbonisation paths and the investments needed for the transition. It also analyses the impact that production cost increases have on the business volumes and margins of companies.

The analytical framework also makes it possible to estimate the impact of the transition on mortgage collateral, based on the premise that less energy-efficient properties could lose their appeal in the future.
This assessment not only allows for the adverse effects of climate change to be anticipated, but also allows for risk management policies to be adjusted to mitigate its impact on the loan portfolio.

Scenario analyses conducted as part of CaixaBank's measurement and monitoring framework have shown limited impacts on both transition risk and physical risk within the loan portfolio. However, there are methodological challenges associated with data availability and scenario design, which continue to evolve to more accurately reflect potential impacts.

In this context, CaixaBank is continuously improving its analytical and methodological capabilities, adapting to advances in knowledge and data availability. This constant evolution allows it to strengthen its climate risk management framework, ensuring an increasingly precise and effective response to the challenges posed by the sustainable transition.

Data source used in the measurement

CaixaBank is currently using different data sources to measure climate and environmental risks:

Customer data:

- **Internal by counterparty.** Customer information is collected as part of the approval process, through a questionnaire mainly covering the carbon footprint, ESG information relating to sectoral and general exclusions, climate transition plans, impact assessments and associated mitigation plans.
- **Internal, for physical assets**, mainly: 1) Project finance, asset finance and corporate projects where there is environmental due diligence to assess the environmental impact of the project and 2) the new mortgage business where energy performance certificates (EPC) are obtained.
- **Public**: The reports published by clients and available information related to potential environmental claims are analysed.

Data from external suppliers:

- ESG rating agencies.
- Provided by public bodies/research institutes, such as UNEP FI (United Nations Environment Programme).
- Finance Initiative), IPCC (Intergovernmental Panel on Climate Change), IEA (International Energy Agency), PIK (Potsdam Institute for Climate Impact Research) and the INE (National Statistics Institute).
- *NGFS (Network for Greening de Financial System).*
- PCAF (*Partnership for Carbon Accounting Financials*).
- The European Union's Earth Observation Programme, Copernicus.

CaixaBank has identified data availability as one of the main working points to strengthen sustainability risk analyses. A comprehensive sustainability data model project is being developed as part of the Sustainability Master Plan. It is a cross- cutting project and focuses on sustainability data needs at the corporate level. Requirements have been developed with the aim of achieving an environment of strategic reporting and data management bolstered by the system. In addition to the system's improvements achieved within the scope of the data model, other initiatives have been carried out to obtain massive data from databases/external suppliers, such as obtaining energy efficiency certificates (EPCs) from the stock of properties in the real estate portfolio, including the use of proxies in cases where EPCs do not exist or are not available.

/ Climate risk metrics

Management of the loan portfolio seeks to align indirect impact on climate change with our risk appetite and commitment to sustainability objectives. To that end, metrics related to climate risk are monitored. . CaixaBank's Risk Appetite Framework (RAF) includes a number of metrics that monitor the Bank's exposure to climate risks.

Under Pillar 3, in addition to monitoring financed emissions, decarbonisation and sustainable mobilisation metrics, the Company monitors climate risk metrics in accordance with the EBA's mandate.

- Exposures subject to transition risk by intensive sector;
- Energy efficiency of the mortgage portfolio;
- Exposures to the 20 leading carbon-intensive companies;
- Exposures subject to physical risk; and
- Other climate change mitigation actions that are not covered in the EU taxonomy.

Quantitative information on ESG risk metrics is detailed in section 8.1.4.

_Nature-related risk management

The update of the ESG risk materiality assessment determined that the high-level materiality of nature-related risks for CaixaBank was increasing. In line with the structure established in the risk management practice, the phased roll-out of risk management began in 2024:

> Evaluation materiality > Identification, classification and measurement > Management and monitoring > *Reporting* >

Based on the current state of methodologies for the identification and measurement of nature-related risk, the management of these risks still has significant limitations at the present time and is expected to continue to progress in the coming years. However, as indicated in the Nature Statement and in its roadmap, CaixaBank is aware of the need to start making progress in these areas as a first step towards efficient management of this risk.

a. Identification, classification and measurement:

During 2024, the *deep-dive* qualitative credit portfolio exercise for the corporate portfolio has been initiated and will be rolled out in the following phases:

I. Portfolio impacts and dependencies. Prioritisation of sectors.
Identification of impacts and environmental dependencies at the sector level for CaixaBank's loan portfolio. Prioritisationof sectors.

II. Natural-related risks for CaixaBank.
Determination of physical risks andtransition risks arising from environmental factors.

III. Nature-related risks for CaixaBank.
Financial risk heatmaps.

PHASE I

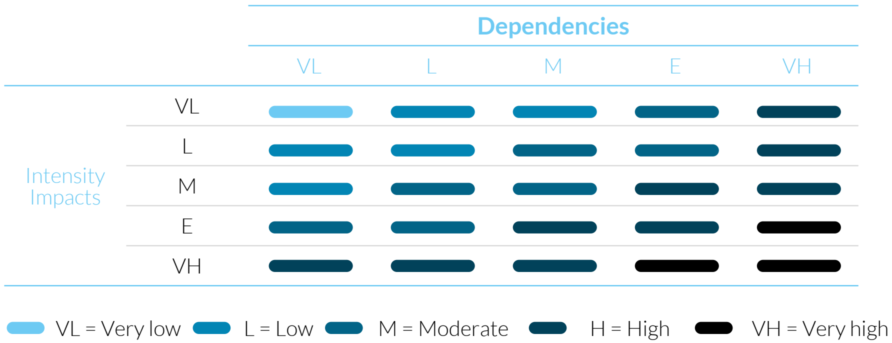
PHASE II

The **first phase** has been developed in 2 steps:

1. Determination of portfolio impacts and dependencies

Using the tools Global Biodiversity Score (GBS), such as ENCORE and the GLOBIO and EXIOBASE databases, and CaixaBank's credit exposure, the static and dynamic dependencies and impacts of the companies in CaixaBank's corporate portfolio were determined. Taking into account the following impact and dependency severity matrix, the Bank has prioritised the sectors for its nature-related risk analyses:

/ IMPACT SEVERITY AND DEPENDENCY SCREENING MATRIX



2. Determination of physical risks and transition risks arising from environmental factors.

Once the impacts and dependencies of the prioritised sectors had been identified, various WWF tools were used to generate *heatmaps* of physical and transitional risks for each of the prioritised sectors. These *heatmaps* identify:

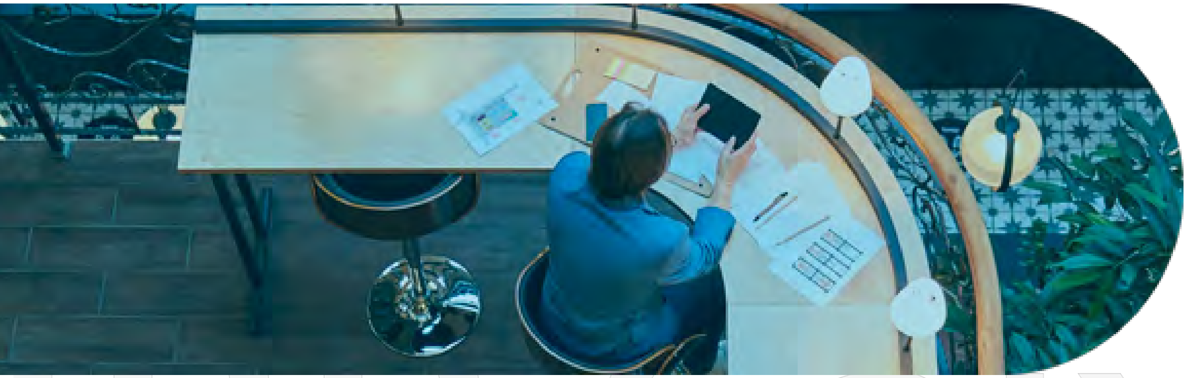
- **Physical and transition risks to biodiversity.** Transition risks are determined with a focus on customer reputational risk due to biodiversity impacts, while physical risks are mainly estimated from dependencies.

- **The physical and transition risks of water.** For water, the focus of transition risks is on both reputational risks and regulatory risks. Regarding physical risks, they are also estimated mainly from the dependencies of the customers in each sector.

As a result of these *heatmaps*, the following sectors/activities have been prioritised for the next phase of the analysis:

- **Energy**
- **Agriculture and Livestock**
- **Hotel**
- **Manufacturing**
- **Wholesale**
- **Real Estate**
- **Water treatment**

The final phase of this analysis consists of determining the impact of nature-related risks on CaixaBank's financial risks. The current state of methodologies is still very much in its infancy, so phase II will be addressed in future exercises.



b. Management and monitoring:

Despite the fact that their management has not been prioritised over climate risks and their measurement is in its early stages, nature-related risks are being actively managed. For financial institutions, the main impacts, risks and opportunities related to nature come mainly from their value chain. It is worth noting that their identification, assessment, and management in the financial sector is a complex and evolving area, as there are no standardised and robust measurement methods, nor tools with disaggregated and comparable quantitative data. CaixaBank therefore considers it necessary to work collaboratively with other actors and economic agents to make joint progress through the following levers:

- Incorporation into risk approval processes through application of the Corporate Sustainability/ESG Risk Management Policy. The environmental risks covered by CaixaBank's Corporate Sustainability/ESG Risk Management Policy include natural heritage and biodiversity. CaixaBank recognises that the economic activities of its customers may have substantial impact on areas of high biodiversity value, sensitive ecosystems, areas susceptible to water stress, or national and internationally protected areas. The Bank therefore includes this consideration in its sustainability risk management, with the aim of minimising the impact of its portfolio on the natural environment.
- **Application of the Equator Principles** to certain operations with potential environmental and social risks, including those related to human rights, climate change and biodiversity.
- **Management and outreach regarding climate risks and opportunities**: CaixaBank aims to align disclosure on nature-related risks and opportunities according to the recommendations of the Taskforce on Nature-related Financial Disclosure (TNFD).

- **Sustainable Development Goal (SDG) financing framework** for the issuance of green bonds, including the 8 issues from 2020 to June 2024, which promotes the financing of operations that contribute to the achievement of the SDGs on clean water and sanitation (SDG 6), renewable energy (SDG 7), infrastructure (SDG 9), sustainable cities (SDG 11), responsible production and consumption (SDG 12) and life of terrestrial ecosystems (SDG 15).

_Financed emissions and decarbonisation targets

CaixaBank is measuring the emissions linked to its financing and investment (Scope 3 of carbon footprint category 15) in order to determine the overall impact of its financing activity in terms of its carbon footprint. This information enables CaixaBank to establish decarbonisation pathways to achieve net zero emissions by 2050, in line with the commitment of the Net Zero Banking Alliance.

Information on these metrics can be consulted in table 8.39.

Calculation methodology

The calculation has been carried out under a bottom-up approach , following the methodology developed by PCAF and described in the standard "*The global GHG accounting and reporting standard for the financial industry*":

- Mortgages and CRE: The calculation of emissions has been made taking into account: i) EPC of the property; and ii) Emission intensity data (by type of building and geographical location) published by the Spanish Institute for the Diversification and Saving of Energy and CRREM (PCAF factors published in March 2024, dated September 2023).
- Sovereign debt: The production approach defined by PCAF was used. This approach considers emissions attributable to productive activity within a country's territory (including domestic consumption and exports, as defined by the UNFCCC national emissions inventory).
- emissions associated with the remaining financing and investment portfolio have been calculated from carbon footprint information (scope 1, 2 and 3) reported by the financed companies/projects, or from sectoral proxies.

In all cases, the allocation of emissions financed by CaixaBank has been carried out based on the allocation factor defined by the PCAF for each type of asset and the best data available in each case.

Decarbonisation targets

To date, 10 decarbonisation targets have been published. CaixaBank has also determined the non-materiality, from the point of view of decarbonisation, of two other intensive sectors (aluminium and cement).

Details of the design decisions and other characteristics of each of the targets can be found on the Bank's website, at (https://www.caixabank.com/es/sostenibilidad/transicion-sostenible/estrategia-medioambiental-climatica.html)

Sector	Emissions scope	Metric	Scenario	Base year	Base year metric	Reduction target (2030)	Metric target (2030)	Considered risk
Power	1	Physical intensity	IEA Net Zero 2050[1]	2020	136 kg CO_2e/MWh	-30 %	95 kg CO_2e/MWh	Exposure (limit granted)
Fossil fuel combustion	1, 2, 3	Total financed emissions	IEA Net Zero 2050[1]	2020	9.08 Mt CO_2e	-23 %	6.99 Mt CO_2e	Exposure to risk
Automotive	3[2]	Physical intensity	IEA Net Zero 2050[1]	2022	154 g CO_2/vkm	-33 %	103g CO_2/vkm	Exposure (limit granted)
Iron and steel	1+2	Physical intensity	IEA Net Zero 2050[1]	2022	1,230 kg CO_2e/t steel	'-[-10-20]%	1,107 - 984 kg CO_2e/t steel	Exposure (limit granted)
Thermal coal	N/A	Total exposure	N/A	2022	€2,845 Mn (€213 Mn taking into account mitigating factors[3])	-100 %	€0 M	Exposure to risk
Commercial Real Estate	1+2	Physical intensity	CRREM[4] 1.5 CRE Iberian Peninsula	2022	20.5 kg CO2e/m2	-41%	12.1 kg CO2e/m2	Exposure (limit granted)
Residential real estate	1+2	Physical intensity	CRREM[4] 1.5 RRE Iberian Peninsula	2022	23.57 kgCO2e/m2	-19%	19.03 kg CO2e/m2	Exposure (limit granted)
Shipping	1	alignment %	IMO[6] 2018	2022	AD[5]= 11.9%	'-11,9 pp	AD[5]= 0%	Exposure to risk
Aviation	1	Physical intensity	MPPU[7] 1.5°	2022	102 gCO2/RPK	-30%	71 gCO2/RPK	Exposure (limit granted)
Agroindustry	direct emissions ("on farm") + feed	Physical intensity	SBTI FLAG[8] Commodity Pathways 1.5°	2022	Qualitative objective focused on improving the knowledge and profiling of individual customers and the sector in general.			N/A

1 Net Zero by 2050. A Roadmap for the Global Energy Sector of May 2021.
2 Includes Scope 3 category 11 emissions: tank-to-wheel.
3 Mitigating factors are considered to be phase-out commitments <=2030 or only renewable financing.
4 Carbon Risk Real Estate Monitor.
5 Alignment Delta in accordance with the Poseidon Principles, excluding passengers.
6 International Maritime Organisation (IMO) scenario, in accordance with the Poseidon Principles.
7 Mission Possible Partnership "Prudent" Scenario, in accordance with the Pegasus Guidelines.
8 Science Based Targets: Forest, Land and Agriculture.

3.4.2. SOCIAL RISK

A. Business strategy and processes

In line with the Strategic Plan and the Sustainability Plan and in addition to what has already been indicated in the previous section, CaixaBank has been working to maintain its leadership in positive social impact through its microfinance and financial inclusion activities, fostering a responsible culture focused on people and best practices in good governance, in order to continue to be a benchmark in European banking. The Bank also channels and promotes social initiatives through its branches, thanks to the CaixaBank volunteer network, close collaboration with the "la Caixa" Banking Foundation, the Dualiza Foundation, MicroBank and other social initiatives.

In order to reduce exposure to social risks, CaixaBank has adhered to multiple initiatives that evidence its commitment. For further details about CaixaBank Group's ESG alliances and affiliations, see CaixaBank Group's 2024 Management Report.

Through the issuance of social bonds, for a total of 6,250 billion euros through 6 social bonds issued in the 2019-2024 period, the Company contributes to the development of society by fighting poverty and promoting employment creation in the most disadvantaged areas, cities and sustainable communities, promoting good health and well-being, quality education, gender equality and reduction of inequalities.

Additionally, CaixaBank includes the opinions of stakeholders into the Bank's strategy.

Active listening and *engagement* with the various stakeholders are a central element in the process of defining the Group's strategy. Incorporating these elements into the process allows the Group to understand market expectations and identify potential opportunities and risks.

Working systematically with stakeholders and assessing their perspectives on economic, social, environmental, ethical, human rights, and governance impacts allows us to better address their concerns and manage the direct or indirect impact on CaixaBank.

This strategic management approach is a powerful tool for building lasting relationships with key stakeholders, preventing or mitigating negative impacts, and ensuring the overall success of the company's strategy. With this approach, CaixaBank aims to prioritise value creation for all stakeholders: employees, customers, and the community at large, fostering a sustainable business model that aligns the Group's success with the well-being of the entire ecosystem.

_Engagement with our main stakeholders

CaixaBank maintains an ongoing dialogue with all its stakeholders to regularly receive their opinions and views on the performance of the Group's activities. Collaboration with key stakeholders, and specifically their feedback, is essential for CaixaBank, as it allows the Company to identify areas for improvement and reaffirm the strengths of its strategy and business model.

In this regard, CaixaBank creates spaces for dialogue to understand how the business affects these stakeholders and how these impacts should be managed. The Group has multiple engagement channels, allowing it to receive regular feedback during the normal course of the business.

CaixaBank has also involved its stakeholders in preparing the Double Materiality study. In 2024, CaixaBank conducted a double materiality exercise that allowed it to assess the impacts, risks, and opportunities associated with different ESG issues.

All stakeholders, both internal and external, representing the different categories of the value chain, played an important role in preparing the Double Materiality study. Surveys were conducted amongst all CaixaBank stakeholders, as part of which they were provided with a list of sustainability-related topics and asked to assess the IROs for CaixaBank. The process allowed stakeholders to participate in setting the direction of the ESG approach and in prioritising the topics.

Finally, it is worth noting that CaixaBank aligns its strategy with the results of the Double Materiality study, to reflect the main expectations of its stakeholders in its strategy. The Double Materiality study provides the Group with an in-depth understanding of the most relevant issues for different stakeholders.

The main engagement actions carried out in 2024 with each of the stakeholders are summarised below.

Customers

- Customer to Improve Customer Service (Project MAC).
- Respond rapidly via the *Contact Centre* or via email.
- Segmentation to offer more specialist advice.
- Global Reputation Index.

Employees

- We Plan.
- Diversity Promotion Plan *Wengage*.
- *Development by skills* plan and training plan.
- "We are Healthy" Health and Well-Being Programme
- New ways of working: Remote working.

Shareholders and investors

- Effective and transparent communication.
- Reporting and disclosure of information in a transparent and periodic manner.

Suppliers

- Action plans linked to supplier audit results.
- ESG supplier development plans.
- ESG supplier training plans.

Regulators and supervisors

- Provide information quickly and transparently.
- Facilitate supervisory work with a high degree of collaboration in the process.
- Share knowledge in different areas to improve the regulatory framework.
- Active participation in public consultations and working groups, providing feedback on new regulations or regulatory changes.

ESG analysts

- Plan to review the results obtained from ESG analyst performance assessments and implementation of improvement actions.

NGOs and Foundations

- Social action plan to cover the most urgent needs.
- Financial education plan.
- Design of financial products and services for vulnerable groups.
- Entrepreneurship financing and promotion.
- Social projects
- Volunteering

B. Governance

The governance of social risks is part of the common governance established for sustainability; see the section on governance in relation to cross-cutting ESG risk.

C. Risk management

Social risks ("S") measure potential indirect adverse impacts on society arising from the provision of services to, or investment in, legal persons that do not respect human rights or the health and safety of their employees.

CaixaBank recognises that its customers' economic activities may have substantial impacts on people, particularly adverse social impacts related to forced labour, child labour, occupational health and safety, the right to a living wage, community issues related to land and/or (involuntary) resettlement, the rights of indigenous peoples, and community health and safety.

Through its Code of Ethics, CaixaBank aligns itself with the highest national and international standards and actively rejects all unethical practices. CaixaBank's Human Rights Principles set out its aspiration to collaborate with customers who share its values regarding human rights. To effectively implement the Code of Ethics and Human Rights Principles in relation to potential social impacts on its customers, CaixaBank has a Corporate Sustainability/ESG Risk Management Policy.

_Identification and assessment of social risks

The assessment conducted on the financial materiality of social risks, which is updated annually, has determined that there is a medium-low impact on the CIB and Business Banking customer segments for credit risk and a medium-low impact for reputational risk in all time horizons. Additionally, the evaluation of the financial materiality of social risk has determined that there is a low impact on the credit risk of the mortgage segment and on other risks apart from reputational risk

/ SOCIAL RISK ANALYSIS MATRIX

		SOCIAL RISK		
		ST	MT	LT
Credit risk	CIB SEGMENT	Meidum-low risk	Meidum-low risk	Meidum-low risk
	BUSINESS SEGMENT	Meidum-low risk	Meidum-low risk	Meidum-low risk
	MORTGAGE SEGMENT	Low risk	Low risk	Low risk
	CONSUMPTION SEGMENT	N/A	N/A	N/A
Other risks	MARKET	Low risk	Low risk	Low risk
	OPERATIONAL	Low risk	Low risk	Low risk
	REPUTATIONAL	Meidum-low risk	Meidum-low risk	Meidum-low risk
	LIQUIDITY	Low risk	Low risk	Low risk
	BUSINESS/STRATEGY	Low risk	Low risk	Low risk

Low risk   Meidum-low risk   Medium risk   Medium-high risk   High risk

ST. Short term (up to 4 years) MT. Medium term (4 to 10 years) LT. Long term (over 10 years)

_Definition and identification of social factors

a. Definitions, methodologies and international standards

To identify the social factors associated with human rights, consideration has been given to **internationally recognised standards and initiatives**, including:

- The Universal Declaration of Human Rights
- International Labor Organization (ILO) conventions
- Equator Principles
- The United Nations Guiding Principles on Business and Human Rights
- The National Action Plan for Business and Human Rights
- OECD guidelines for Multinational Enterprises
- The United Nations International Charter of Human Rights
- UN Global Compact Initiative
- International Finance Corporation (IFC) performance standards
- United Nations Declaration on the Rights of Indigenous Peoples
- Convention on the Rights of the Child
- Declaration on Human Rights Defenders

Likewise, to identify and define social factors for sectors included in the Corporate Sustainability/ESG Risk Management Policy, consideration has been given to international standards, rules and sector-specific initiatives or initiatives related to specific social issues; these are described in the Policy.

b. Cross-cutting social factors

The Group considers respect for **human rights** to be an integral part of its values and the minimum standard for legitimately carrying out its business activity. It also considers that the protection of human rights rests mainly with governments and that companies have a responsibility to promote and respect them in the course of their operations.

Under this premise, in line with its responsible policies and positions on ethics and human rights, CaixaBank operates under a culture of respect for human rights, and expects its employees, collaborators, partners and other parties directly related to its operations, products and services to do the same.

As regards social risk factors, the following have been determined in relation to human rights and are applicable to all customers:

- Violation of human rights (for example, use of child or forced labour).
- Impacts on worker health and safety.
- Violation of the rights of indigenous or vulnerable groups, or their resettlement, without their free, prior and informed consent.

c. Sector-specific social factors

The Policy has identified **five priority sectors based on their sensitivity** to various sustainability factors, including **social factors**.

Defence and security sector

- Use of controversial weapons, given their high impact on people and society.
- Use of weapons by end users other than public authorities, majority-owned public companies or private security companies.
- Violation of human rights linked to civil violence and oppression.

Mining sector

- Mining of hazardous materials (e.g., asbestos, uranium) due to their impact on the health and safety of workers and users.
- Performance of extractive activities in areas with high social sensitivity (for example, areas where there are active armed conflicts).
- Impacts on human rights, and the safety and health of suppliers and subcontractors.
- Supplies from conflict zones or zones with associated risk of human rights violations in mineral processing activities.

Energy sector/Infrastructure and transport sector/Agriculture, fishing, livestock and forestry sector

- Impacts on human rights, and the safety and health of suppliers and subcontractors.

_Social risk management

The control and management of social risks in relation to customers and proprietary investment considers the following main lines of action:

- Integrating social risks into decision-making and avoiding financing or investing in companies or projects related to serious human and labour rights violations.
- Work in order to understand the impact on human rights deriving from its activity and undertake to prevent and avoid contributing to the adverse negative impacts and, where applicable, mitigate them as much as possible.
- Managing environmental, social and governance risks and incorporating their analysis into the provision of products and services to customers, proprietary investment and equity portfolio management.

- Acting in accordance with the assumed public commitments, such as the "Human Rights Principles" and "Responsible Banking Principles" as well as any other initiative and commitment considered within the scope of ESG, always under the responsibility of appropriately fulfilling its requirements.

a. Activities and tools for the management of social risks

/ Corporate policy on sustainability/ESG risk management

In addition to the provisions of the section of the Policy on the cross-cutting ESG factor, in relation to the social factors described, **general action criteria** have been defined to **exclude or limit** the assumption of exposure to social risks. The general criteria for action include the following **limits and commitments regarding social risk management**:

- **Human rights:** CaixaBank will not provide financial or investment services to companies when there is strong evidence that they use child or forced labour, as defined in the ILO Conventions, or have been involved in human rights violations or abuses.
- **Health and safety:** CaixaBank will not provide financial or investment services to companies that do not have health and safety policies to protect their workers or that cannot provide adequate health and safety records for their workers.
- **Rights of indigenous or vulnerable groups:** CaixaBank will not finance operations or projects that breach the rights of indigenous or vulnerable groups or require their resettlement, without their free and informed consent in advance.

Sector-specific action criteria have also been established to **exclude or limit** exposure to certain sectors with **sector-specific social factors**. The action criteria indicated here are publicly available on the website.

The social risk assessment process is integrated into both the customer onboarding process (ESG onboarding) and in the financing approval and admission process.

- In the **customer onboarding process**, for **social risks**, an analysis of the ESG risk of customers is carried out to determine whether or not they comply with the criteria of this Policy relating to **Human Rights, Health and Safety Policies**, with a special focus on the **defence and security sector**.
- In the **approval process for financing operations**, for **social risks**, an analysis of the ESG risks associated with the customer's activity is carried out, which complements that carried out in the customer onboarding process and aims to ensure compliance with the Policy, in particular, **sector-specific action criteria**.

To implement the evaluation process relating to compliance with the Policy, including the aforementioned corporate factors, different actions are executed using customer information obtained through public and verifiable sources: review of policies (such as human rights policies or codes of ethics), review of corporate certifications (such as health and safety management systems) or analysis of corporate information in sustainability reports and corporate websites. If the corporate risk factor analysis process finds insufficient evidence to answer these questions or if clarification with the client is necessary, additional documentation may be requested, taking into account materiality and proportionality criteria. Where available, use is also made of information on social matters through external ESG information providers.

Furthermore, customer ESG disputes, including those related to social matters, are evaluated in the processes and, depending on the level of severity assigned, may be transferred to the ESG Dispute Working Group (see next section on ESG Dispute Management Circuit) or acceptance of exposure may be limited.

As a result of these ESG risk assessments, which include social factors, CaixaBank issues sanctions that may be decisive for the acceptance of customers and also for the granting of financing to customers or project finance, which allows these factors to be integrated into CaixaBank's business model and processes.

CaixaBank makes the utmost effort to obtain sustainability information from its customers, and it also uses information from external ESG information providers as a basis for decision-making. However, CaixaBank still depends on the availability and reporting of updated and quality information.

In addition, CaixaBank is working to expand the gathering of information on the management of social factors of its customers as part of its ESG risk identification and evaluation system. CaixaBank is also incorporating into its work plan the requirements defined in the new ESG risk management guidelines of the *European Banking Authority* (EBA) published in January 2025.

/ ESG controversies management circuit

The ESG controversies analysed by the Working Group include **disputes of a social nature**, including social risks related to: impacts on local communities, human rights-related disputes, the use of child or forced labour, safety and health incidents affecting its own workers and those in the supply chain, product and customer safety, and management of social aspects of the supply chain, in addition to others.

3.4.3. GOVERNANCE RISK

A. Governance

CaixaBank's principles of action with regard to sustainability pursue the objective, among others, of prudently and globally managing all risks (financial and nonfinancial) according to the Group's General Risk Management Principles and Risk Appetite Framework, and in terms of sustainability, according to the Corporate Policy on Sustainability/ESG Risk Management, which governs the management of these risks within the relationship between the Entity and its customers. Specifically, according to the governance of governance risks, as described in section C. Governance of the CROSS-CUTTING ESG FACTOR (SUSTAINABILITY) chapter. Furthermore, it also seeks support from appropriate supervisory mechanisms for the risks (financial and non-financial) set out in the Corporate Risk Map.

In addition, it establishes the necessary measures to prevent and avoid, as far as possible, that CaixaBank Group products and services be used for any illegal activity (e.g. financing of terrorism, money laundering or financial crimes) and to revise them regularly, while actively collaborating with regulators and security forces and reporting all suspicious activities detected. To that end, a responsible conduct is encouraged among those part of CaixaBank Group, who must respect and apply the Corporate Anti-Corruption Policy; the Corporate Policy for the Prevention of Money Laundering and the Financing of Terrorism and managing Sanctions and International Countermeasures; the Corporate Policy for Criminal Compliance; the Corporate Conflict of Interest Policy; and the rest of CaixaBank Group's codes of conduct and standards.

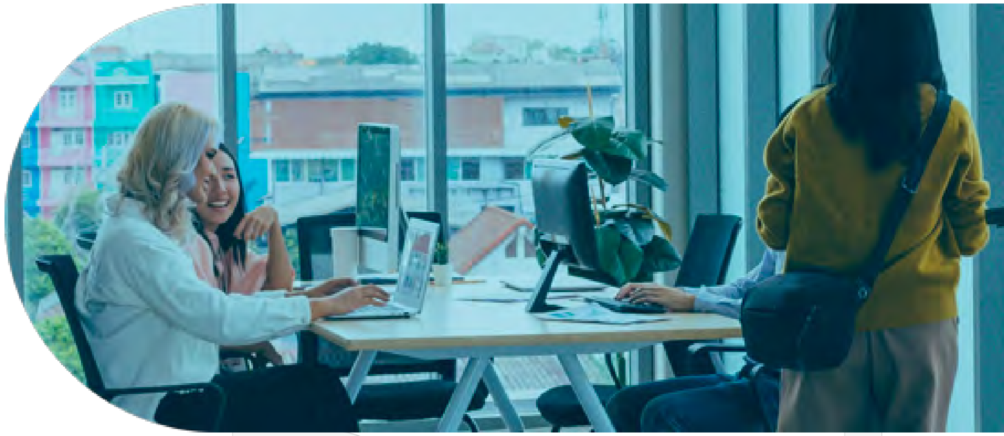
CaixaBank also develops an ethical and transparent culture among its professionals. The integrity of our professionals and actions based on the highest ethics and transparency standards with our shareholders, customers, investors and society as a whole, govern the way we relate to each other and to the environment in which we operate.

Respecting Human Rights is a key part of the Group's corporate values and is the basis of our modus operandi. We also have our own Code of Ethics and Principles of Action to govern our behavioural model in all our activities and operations.

The governance of governance risks is part of the common governance established for sustainability; see the section on governance in relation to cross-cutting ESG risk on page 98.

Finally, CaixaBank is working to expand the collection of information on how customers develop their own governance of environmental and social aspects, including governance models and bodies, as well as governance related to the presentation of non-financial information.

CaixaBank makes the utmost effort to obtain sustainability information from its customers, and it also uses information from external ESG information providers as a basis for decision-making. However, CaixaBank still depends on the availability and reporting of updated and quality information. The CSRD and other international regulatory developments will contribute to this assessment process, as it will provide more information on customers' ESG risk management.



B. Risk management

_Identification and assessment of governance risks

The **governance risks** ("G") derive from a negative impact resulting from weaknesses linked to legal entities, such as transparency, market conduct, anti-corruption policies, compliance with tax obligations or other behaviours considered ethical by relevant stakeholders.

As a first step in the integration of this type of risks into the Bank's risk management mechanism, the annual assessment on the financial materiality of governance risks has been updated, which arise from a negative impact due to weaknesses of commercial counterparties or companies in which an investment has been carried out, such as transparency, conducts

Markets, anti-corruption policies, compliance with tax obligations or other behaviour considered ethical by relevant stakeholders. The assessment of the impact of governance risk on credit risk stands out, which is linked to the damage that may result from inappropriate decision-making by counterparty Governance Bodies.

In this regard, the assessment conducted on the financial materiality of social risks has determined that there is a medium-low impact on the CIB and business segments for credit risk and medium-low impact on reputational risk in the **short, medium and long term**. Additionally, the assessment of the financial materiality of governance risk has determined that there is a low impact on other risks apart from credit and reputational risks.

/ GOVERNANCE ANALYSIS MATRIX

		GOVERNANCE RISK		
		ST	MT	LT
Credit risk	CIB SEGMENT	Meidum-low risk	Meidum-low risk	Meidum-low risk
	BUSINESS SEGMENT	Meidum-low risk	Meidum-low risk	Meidum-low risk
	MORTGAGE SEGMENT	N/A	N/A	N/A
	CONSUMPTION SEGMENT	N/A	N/A	N/A
Other risks	MARKET	Low risk	Low risk	Low risk
	OPERATIONAL	Low risk	Low risk	Low risk
	REPUTATIONAL	Meidum-low risk	Meidum-low risk	Meidum-low risk
	LIQUIDITY	Low risk	Low risk	Low risk
	BUSINESS/STRATEGY	Low risk	Low risk	Low risk

Low risk · Meidum-low risk · Medium risk · Medium-high risk · High risk

ST. Short term (up to 4 years) MT. Medium term (4 to 10 years) LT. Long term (over 10 years)

_Governance risk management

The CaixaBank Code of Ethics and Principles of Action is the highest standard that lends sense to the rest of standards and guides the actions of the people comprising CaixaBank: Employees, managers and members of the Governing Bodies.

This Code has an influence on the Bank's internal professional relationships and in its external relationships with customers, suppliers and wider society. Through it, we align ourselves with the highest national and international standards, and we totally reject any type of unethical practices and any practices that are contrary to the general principles of action set out in the Code.

Based on the principles and values of this Code, CaixaBank has put in place a series of policies, standards and principles applicable to all the companies comprising CaixaBank Group. These include:

- CaixaBank's Human Rights Principles.
- Corporate Anti-corruption Policy.
- Tax Risk Control and Management Policy.
- Principles of action in relation to the Privacy and Rights of CaixaBank customers.

For more information about policies, see section "Framework of Policies, principles and statements in the field of sustainability" of CaixaBank's Consolidated Management Report at December 2024.

In addition to the principles of ethics and integrity, governance risks are assessed in the admission processes by applying the general criteria established in the Corporate Sustainability/ESG Risk Management Policy, the update of which was approved by the Board of Directors in March 2024.

Activities and tools for the management of governance risks

/ Corporate policy on sustainability/ESG risk management

The governance risk assessment process is integrated into both the customer onboarding process (ESG onboarding) and in the financing approval and admission process.

As part of this due diligence, CaixaBank assesses the governance performance of companies, considering the following aspects:

- Having a Human Rights, Sustainability, Corporate Social Responsibility Policy, Code of Ethics or Code of Conduct.
- Be transparent about its environmental, social and governance performance and management, following applicable law or one of the internationally recognised sustainability reporting standards.

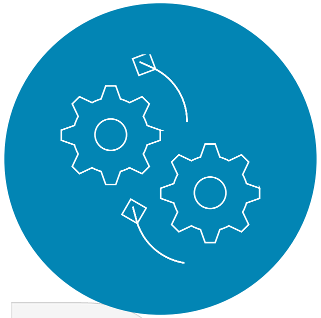
CaixaBank makes the utmost effort to obtain sustainability information from its customers, and it also uses information from external ESG information providers as a basis for decision-making. However, CaixaBank still depends on the availability and reporting of updated and quality information.

CaixaBank is working to expand the gathering of information on the management of governance factors of its customers as part of its ESG risk identification and evaluation system. CaixaBank is also incorporating into its work plan the requirements defined in the new ESG risk management guidelines of the *European Banking Authority* (EBA) published in January 2025.

As a result of this work, in the first half of 2025, CaixaBank has developed a system that allows it to identify those customers that report sustainability information under the NFRD or CSRD directives (and the corresponding national transpositions). This system is enabling the identification of customers whose report is approved by the Board of Directors, i.e. the **best practices in relation to the highest governing body in the disclosure of non-financial information**. During the second half of 2025 and early 2026, the capture of customer data for further analysis will continue.

/ ESG controversies management circuit

The ESG controversies analysed by the Working Group include **governance-related controversies**, including risks related to: Business ethics, corruption and fraud, governance structure, resilience, among others.



08

Quantitative Information

ESG Risk

8.1.4. QUANTITATIVE INFORMATION ESG RISK

Credit risk is the prudential risk that may be most impacted by climatic factors, mainly transition and physical factors, in the short, medium and long term:

1. **Transition risk:** The macro sectors potentially most impacted in the medium to long term are agriculture, energy/services, oil and gas, transport, materials and mining and metallurgy. CaixaBank has identified the coal (energy subsector) and oil and gas sectors as the highest priority sectors in terms of transition risk. Real estate is one of the leading sectors with medium impact. The impact is considered lower in the short term. This top-down sectoral vision is complemented by a bottom-up vision based on:
    - The segments of activity in each macro sector (value chain).
    - The term structure of finance.
    - The characteristics and positioning of the main customers, the impact of which may vary considerably, depending on how they incorporate these risks into their strategic vision. More individualised analysis that takes these aspects into account is already being applied in risk approval processes.

2. **Physical risk:** Spain is one of the regions in Europe with the greatest potential to be impacted by the physical risks of climate change. Of the risks analysed, meteorological events involving fires and floods are the most significant.

    In the mortgage portfolio, based on the geographical location of the assets, the impact is not considered material in the short and medium term. This assessment is complemented by a more granular analysis for the potentially most affected areas as well as for the portfolio of legal entities (location of infrastructure and sector-specific characteristics such as energy/services, agriculture, oil and gas or mining).

Below is information as at June 2025 regarding the exposure in non-financial companies operating in sectors that highly contribute to climate change. This includes the exposure credit quality, the corresponding impairments and provisions and the financed emissions as at June 2025.

Table 8.37. Template 1: Banking book- Climate change transition risk: Credit quality of exposure by sector, emissions and residual maturity

	Amounts in millions euros	a	b	c	d	e	f	g	h
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Sector/subsector		Of which, exposure to companies excluded from the EU Paris-aligned benchmarks indices[2]	Of which environmentally sustainable (CCM)	Of which Stage 2 exposure	Of which nonperforming exposure		Of which Stage 2 exposure	Of which nonperforming exposure
1	**Exposures to sectors that are major contributors to climate change[1]**	**130,565**	**6,495**	**–**	**7,477**	**3,946**	**(2,690)**	**(205)**	**(2,345)**
2	A - Agriculture, forestry and fishing	3,178	–	–	225	166	(103)	(11)	(86)
3	B - Mining and quarrying	557	70	–	12	11	(8)	–	(7)
4	B.05 - Mining of coal and lignite	–	–	–	–	–	–	–	–
5	B.06 - Extraction of crude petroleum and natural gas	111	70	–	–	–	–	–	–
6	B.07 - Mining of metal ores	63	–	–	–	1	–	–	–
7	B.08 - Other mining and quarrying	313	–	–	7	10	(7)	–	(7)
8	B.09 - Mining support service activities	70	–	–	5	–	–	–	–
9	C - Manufacturing	32,938	1,331	–	1,689	1,002	(620)	(45)	(565)
10	C.10 - Manufacture of food products	6,340	–	–	381	188	(118)	(9)	(109)
11	C.11 - Manufacture of beverages	1,573	–	–	102	34	(27)	(3)	(20)
12	C.12 - Manufacture of tobacco products	42	–	–	1	–	–	–	–
13	C.13 - Manufacture of textiles	379	–	–	57	46	(29)	(2)	(27)
14	C.14 - Manufacture of wearing apparel	513	–	–	15	27	(13)	–	(13)
15	C.15 - Manufacture of leather and related products	144	–	–	31	19	(10)	(2)	(9)
16	C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	534	–	–	42	25	(14)	(2)	(12)
17	C.17 - Manufacture of pulp, paper and paperboard	1,162	–	–	63	17	(10)	–	(9)
18	C.18 - Printing and service activities related to printing	316	–	–	27	23	(14)	(1)	(12)
19	C.19 - Manufacture of coke oven products	1,242	1,105	–	89	–	(3)	(2)	–
20	C.20 - Production of chemicals	3,412	95	–	92	107	(48)	(2)	(47)

	Amounts in millions euros	a	b	c	d	e	f	g	h
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Sector/subsector		Of which, exposure to companies excluded from the EU Paris-aligned benchmarks indices[2]	Of which environmentally sustainable (CCM)	Of which Stage 2 exposure	Of which nonperforming exposure		Of which Stage 2 exposure	Of which nonperforming exposure
21	C.21 - Manufacture of pharmaceutical preparations	1,485	–	–	21	22	(18)	–	(17)
22	C.22 - Manufacture of rubber products	838	1	–	40	54	(28)	(1)	(27)
23	C.23 - Manufacture of other non-metallic mineral products	1,632	–	–	93	59	(35)	(3)	(32)
24	C.24 - Manufacture of basic metals	1,483	–	–	98	102	(82)	(2)	(81)
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	1,647	–	–	121	96	(57)	(5)	(51)
26	C.26 - Manufacture of computer, electronic and optical products	850	–	–	10	13	(5)	–	(4)
27	C.27 - Manufacture of electrical equipment	717	128	–	26	12	(7)	(1)	(5)
28	C.28 - Manufacture of machinery and equipment n.e.c.	1,001	–	–	67	53	(33)	(2)	(32)
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	5,866	–	–	176	40	(27)	(3)	(22)
30	C.30 - Manufacture of other transport equipment	873	–	–	51	3	(4)	–	(2)
31	C.31 - Manufacture of furniture	342	–	–	40	13	(10)	(2)	(7)
32	C.32 - Other manufacturing	248	–	–	27	43	(23)	(1)	(23)
33	C.33 - Repair and installation of machinery and equipment	299	1	–	22	8	(6)	(1)	(4)
34	D - Electricity, gas, steam and air conditioning supply	17,670	4,593	–	588	255	(201)	(13)	(188)
35	D35.1 - Electric power generation, transmission and distribution	15,013	2,326	–	584	254	(199)	(13)	(188)
36	D35.11 - Production of electricity	9,305	1,956	–	540	189	(161)	(13)	(149)
37	D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	2,642	2,267	–	2	1	(1)	–	–
38	D35.3 - Steam and air conditioning supply	16	–	–	2	1	–	–	–
39	E - Water supply; sewerage, waste management and remediation activities	1,955	–	–	77	15	(15)	(3)	(10)

	Amounts in millions euros	a	b	c	d	e	f	g	h
		Gross carrying amount					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
	Sector/subsector		Of which, exposure to companies excluded from the EU Paris-aligned benchmarks indices[2]	Of which environmentally sustainable (CCM)	Of which Stage 2 exposure	Of which nonperforming exposure		Of which Stage 2 exposure	Of which nonperforming exposure
40	F - Construction	10,738	3	–	508	557	(414)	(23)	(398)
41	F.41 - Construction of buildings	4,864	2	–	280	318	(250)	(9)	(242)
42	F.42 - Civil engineering	2,751	–	–	44	46	(45)	(6)	(44)
43	F.43 - Specialised construction activities	3,123	1	–	184	193	(119)	(8)	(112)
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	20,623	6	–	1,414	1,015	(636)	(47)	(576)
45	H - Transportation and storage	16,911	482	–	579	359	(273)	(19)	(239)
46	H.49 - Land transport and transport via pipelines	6,112	400	–	201	89	(60)	(8)	(44)
47	H.50 - Water transport	3,589	81	–	23	62	(11)	(1)	(7)
48	H.51 - Air transport	1,305	–	–	23	40	(22)	–	(22)
49	H.52 - Warehousing and support activities for transportation	4,528	–	–	328	164	(178)	(10)	(164)
50	H.53 - Postal and courier activities	1,377	–	–	4	4	(2)	–	(2)
51	I - Accommodation and food service activities	10,385	–	–	956	338	(192)	(21)	(172)
52	L - Real estate activities	15,610	10	–	1,428	229	(230)	(23)	(105)
53	**Exposures towards sectors other than those that highly contribute to climate change1**	**26,878**	**998**	**–**	**1,229**	**413**	**(891)**	**(209)**	**(315)**
54	K - Financial and insurance activities	4,238	–	–	150	9	(81)	(2)	(5)
55	Exposures to other sectors (NACE codes J, M - U)	22,640	998	–	1,079	404	(810)	(207)	(310)
56	**TOTAL**	**157,443**	**7,493**	**–**	**8,706**	**4,359**	**(3,581)**	**(413)**	**(2,660)**

(1) In accordance with Commission Delegated Regulation (EU) 2020/1818, supplementing Regulation (EU) 2016/1011 regarding minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Considering 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

(2) In accordance with Article 12.1 (d) to (g) and Article 12.2 of the Climate Benchmark Standards Regulation.

		i	j	k	l	m	n	o	p
		Financed GHG emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tonnes of CO_2 equivalent)		GEI emissions (column i): Percentage of gross book value of portfolio derived from company-specific reporting	<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	>20 years	Weighted average maturity
	Sector/subsector		Of which Scope 3 financed emissions						
1	**Exposures to sectors that are major contributors to climate change[1]**	**62,136,195**	**45,532,850**	**19.00 %**	**83,857**	**24,594**	**18,435**	**3,678**	**5**
2	A - Agriculture, forestry and fishing	3,228,555	954,349	5.00 %	1,662	1,067	410	38	5
3	B - Mining and quarrying	633,263	180,569	27.00 %	446	106	3	2	4
4	B.05 - Mining of coal and lignite	18,074	26	— %	–	–	–	–	4
5	B.06 - Extraction of crude petroleum and natural gas	21,729	1,745	95.00 %	111	–	–	–	4
6	B.07 - Mining of metal ores	188,919	69,095	— %	62	1	–	–	1
7	B.08 - Other mining and quarrying	167,872	92,863	48.00 %	203	105	2	2	4
8	B.09 - Mining support service activities	236,669	16,840	— %	69	–	–	–	4
9	C - Manufacturing	25,035,193	21,300,716	26.00 %	26,613	5,149	840	337	3
10	C.10 - Manufacture of food products	5,748,409	5,154,972	11.00 %	5,188	986	114	52	3
11	C.11 - Manufacture of beverages	444,528	349,803	— %	1,004	517	41	11	4
12	C.12 - Manufacture of tobacco products	1,646	1,253	— %	42	1	–	–	–
13	C.13 - Manufacture of textiles	136,621	111,871	— %	317	45	10	8	2
14	C.14 - Manufacture of wearing apparel	83,573	66,855	— %	404	96	8	5	3
15	C.15 - Manufacture of leather and related products	66,527	54,656	— %	124	12	2	6	2
16	C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	203,361	144,519	— %	417	85	17	15	3
17	C.17 - Manufacture of pulp, paper and paperboard	490,984	338,115	8.00 %	939	194	10	19	3
18	C.18 - Printing and service activities related to printing	79,970	55,866	— %	228	63	19	7	4

		i	j	k	l	m	n	o	p
		Financed GHG emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tonnes of CO_2 equivalent)		GEI emissions (column i): Percentage of gross book value of portfolio derived from company-specific reporting	<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	>20 years	Weighted average maturity
	Sector/subsector		Of which Scope 3 financed emissions						
19	C.19 - Manufacture of coke oven products	4,803,923	4,397,036	88.00 %	845	396	–	1	3
20	C.20 - Production of chemicals	2,535,964	2,005,418	21.00 %	2,839	361	196	16	3
21	C.21 - Manufacture of pharmaceutical preparations	275,751	194,832	— %	1,219	251	12	3	3
22	C.22 - Manufacture of rubber products	468,291	338,559	— %	589	198	36	15	4
23	C.23 - Manufacture of other non-metallic mineral products	1,204,309	520,230	14.00 %	1,343	265	8	16	3
24	C.24 - Manufacture of basic metals	1,430,414	892,332	51.00 %	1,375	77	8	23	2
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	631,893	554,238	4.00 %	1,298	262	48	38	3
26	C.26 - Manufacture of computer, electronic and optical products	252,617	191,950	— %	306	533	3	8	5
27	C.27 - Manufacture of electrical equipment	285,706	222,089	— %	626	60	20	11	3
28	C.28 - Manufacture of machinery and equipment n.e.c.	202,354	171,550	— %	769	182	28	22	3
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	4,932,752	4,862,498	71.00 %	5,482	368	3	14	2
30	C.30 - Manufacture of other transport equipment	493,705	474,394	43.00 %	590	52	221	9	18
31	C.31 - Manufacture of furniture	84,911	60,529	— %	229	88	19	6	4
32	C.32 - Other manufacturing	79,240	59,574	12.00 %	203	14	7	24	3
33	C.33 - Repair and installation of machinery and equipment	97,746	77,578	6.00 %	238	45	12	5	3
34	D - Electricity, gas, steam and air conditioning supply	8,463,615	5,937,397	45.00 %	10,051	1,684	5,285	650	7
35	D35.1 - Electric power generation, transmission and distribution	2,903,308	2,114,769	41.00 %	7,711	1,498	5,155	649	8

	Sector/subsector	i	j	k	l	m	n	o	p
		Financed GHG emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tonnes of CO_2 equivalent)		GEI emissions (column i): Percentage of gross book value of portfolio derived from company-specific reporting	<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	>20 years	Weighted average maturity
			Of which Scope 3 financed emissions						
36	D35.11 - Production of electricity	1,295,609	976,310	18.00 %	3,119	975	4,785	426	10
37	D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	5,169,407	3,706,730	67.00 %	2,329	181	129	1	4
38	D35.3 - Steam and air conditioning supply	390,899	115,898	— %	11	5	–	–	4
39	E - Water supply; sewerage, waste management and remediation activities	542,138	286,532	12.00 %	1,462	335	151	7	4
40	F - Construction	2,195,590	1,828,998	16.00 %	6,395	1,443	1,439	1,461	8
41	F.41 - Construction of buildings	681,104	574,667	5.00 %	1,937	679	950	1,298	11
42	F.42 - Civil engineering	512,970	423,774	42.00 %	1,937	488	247	79	6
43	F.43 - Specialised construction activities	1,001,516	830,557	10.00 %	2,520	275	243	85	3
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	14,397,658	11,940,065	11.00 %	16,887	2,344	915	477	3
45	H - Transportation and storage	6,767,957	2,423,159	11.00 %	9,703	4,449	2,671	89	5
46	H.49 - Land transport and transport via pipelines	1,573,636	563,793	13.00 %	4,462	1,248	365	37	4
47	H.50 - Water transport	1,594,253	609,766	4.00 %	1,157	1,007	1,405	19	8
48	H.51 - Air transport	682,703	271,436	50.00 %	402	744	156	3	6
49	H.52 - Warehousing and support activities for transportation	2,836,723	922,519	8.00 %	2,595	1,164	742	27	6
50	H.53 - Postal and courier activities	80,641	55,645	— %	1,086	286	3	2	3
51	I - Accommodation and food service activities	729,723	591,144	3.00 %	4,166	3,194	2,949	76	7
52	L - Real estate activities	142,503	89,920	6.00 %	6,473	4,824	3,772	542	6
53	**Exposures towards sectors other than those that highly contribute to climate change1**				**18,281**	**3,640**	**2,466**	**2,490**	**4**

	Sector/subsector	i	j	k	l	m	n	o	p
		Financed GHG emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tonnes of CO_2 equivalent)		GEI emissions (column i): Percentage of gross book value of portfolio derived from company-specific reporting	<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	>20 years	Weighted average maturity
			Of which Scope 3 financed emissions						
54	K - Financial and insurance activities				2,544	340	801	553	6
55	Exposures to other sectors (NACE codes J, M - U)				15,737	3,300	1,666	1,937	4
56	**TOTAL**	**62,136,195**	**45,532,850**	**19.00 %**	**102,138**	**28,235**	**20,901**	**6,169**	**5**

(1) In accordance with Commission Delegated Regulation (EU) 2020/1818, supplementing Regulation (EU) 2016/1011 regarding minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Considering 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

(2) In accordance with Article 12.1 (d) to (g) and Article 12.2 of the Climate Benchmark Standards Regulation.

Following the EBA/ITS/2022/01 instructions, for counterparties with non-discriminating NACE (holding type), the assignment of counterparties to NACE is based on the nature of the counterparty's activity.

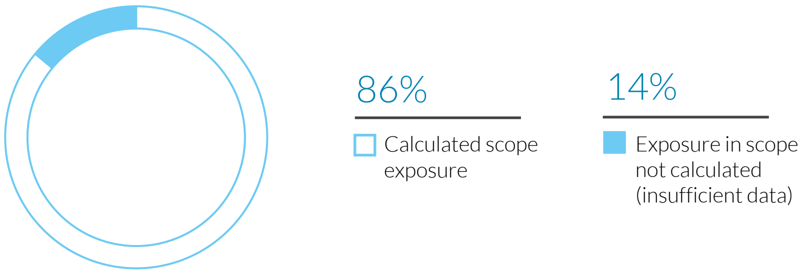
In the table 8.39. Template 1: *Banking book*- Climate change transition risk: Credit quality of exposure by sector, emissions and residual maturity shows:

1. Breakdown of exposure in loans and advances, debt securities and equity instruments to non-financial companies, excluding those held for trading, by sector of economic activity, where CaixaBank's sectoral exposure in sectors identified by the EBA as major contributors to climate change (NACE two digits, A-I and L) is 130.565 billion euros, which represents 83% of all non-financial companies. In the rest of the sectors, identified as less contaminating (NACE with two digits, K, J and M-U), the exposure is €26,878 million, 17%.
2. Information about exposure excluded from the EU Paris-aligned benchmarks indices, as per articles 12.1 (section d-g) and 12.2 of the Commission Delegated Regulation (EU) of 2020/1818 of 17 July 2020. On the one hand, counterparties with indications that they cause significant damage to any of the environmental goals defined in Taxonomy Regulation (EU) 2020/852 and, on the other, counterparties that meet the following thresholds have been identified:
    - **Companies deriving more than 1%** of their revenues from exploration, mining, extraction, distribution or refining of anthracite, hard coal and lignite.
    - **Companies that obtain more than 10%** of their revenues from the exploration, extraction, distribution or refining of oil fuels.
    - **Companies that obtain more than 50%** of their revenues from the exploration, extraction, manufacturing or distribution of gaseous fuels.
    - **Companies that obtain more than 50%** of their revenues from electricity generation with a GHG emission intensity of more than 100g of CO_2e/kWh.

This exposure has been identified on a best-effort basis, establishing a series of quantitative and qualitative criteria, including the NACE linked to excluded activities and consulting public information on counterparties. The exposure excluded from the EU-Paris benchmark indices represents 5% of the total exposure in loans and advances, debt securities and equity instruments to non-financial companies.

CaixaBank is measuring the emissions linked to its financing and investment (scope 3 of carbon footprint category 15, as established by T*he global GHG accounting & reporting standard for the financial industry*). The measurement of the emissions financed aims to ascertain the global impact in terms of the carbon footprint from the lending activity and is input to draw up decarbonisation pathways to achieve net zero emissions by 2050, in line with the commitment of the *Net Zero Banking Alliance* (NZBA), signed by CaixaBank as the founding member in April 2021. The financed emissions are quantified according to "*The global GHG accounting & reporting standard for the financial industry*" standardised by emissions financed by PCAF (*Partnership for Carbon Accounting Financials*), which CaixaBank joined in July 2021.

The calculation was made for the loan portfolio at 30 June 2025 of Caixabank, S.A., of *Caixabank Payments and Consumer*, S.A., MicroBank and Banco BPI and covers the following types of assets: mortgages, commercial real estate (CRE), corporate loans, project finance and vehicle finance loans, representing coverage of 86% of the total lending portfolio.



In addition, the financed emissions linked to the investment portfolio (including corporate fixed income, sovereign debt and equities) with a hedge on the calculation of virtually 100%.

Always following a bottom-up approach : the emissions associated with the mortgage portfolio have been calculated using information from the energy performance certificate (actual or estimated) of the properties financed; emissions associated with the remaining financing and investment portfolio have been calculated from carbon footprint information (scope 1, 2 and 3) reported by the financed companies/projects, or from sectoral proxies. In all cases, the allocation of emissions financed by CaixaBank has been carried out based on the allocation factor defined by the PCAF for each type of asset and the best data available in each case.

Financed emissions included in the current workforce have decreased by 4% compared to the previous end of period. This variation was mainly due to the general improvement in the quality of the emissions data used in the calculation, with an increase in the number of companies and projects financed for which actual reported data is used (6% increase in actual data).

It can also be seen that, since 2021, there has been a more or less overall trend towards reduction of scope 1+2 emissions by the companies financed by CaixaBank Group.

A. Energy efficiency

Below is information at June 2025, on the energy performance of loans secured by commercial or residential real estate, as well as the collateral obtained by taking possession, based on their energy efficiency in terms of energy consumption (kWh/ m^2) or their energy efficiency certificates (EPC).

Table 8.38. Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

	Total gross carrying amount amount (in MEUR)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
			Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							No collateral EPC	
	Counterparty sector		0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	E	L	C	D	E	F	G		Of which estimated level of energy efficiency (EP measurement in kWh/m² of collateral)
1	**Total EU area**		**36,480**	**60,618**	**36,434**	**10,761**	**1,913**	**1,547**	**7,939**	**7,519**	**6,242**	**12,254**	**41,309**	**8,070**	**11,161**	**80,181**	**66.00 %**
2	Of which Loans collateralised by commercial immovable property	22,893	3,823	4,421	2,226	1,319	434	347	2,522	2,654	2,209	1,178	1,413	357	424	12,136	15.00 %
3	Of which Loans collateralised by residential immovable property	148,668	32,501	55,392	33,398	9,205	1,438	1,179	5,415	4,858	3,949	10,946	39,357	7,604	10,565	65,975	76.00 %
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	3,114	156	805	810	238	41	22	2	7	85	130	540	109	171	2,069	50.00 %
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	53,262	11,011	22,948	15,345	3,833	89	36								53,262	100.00 %
6	**Total non-EU area**	**122**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**122**	**–**
7	Of which Loans collateralised by commercial immovable property	122	–	–	–	–	–	–	–	–	–	–	–	–	–	122	–
8	Of which Loans collateralised by residential immovable property	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	–	–	–	–	–	–	–								–	–

Following the EBA/ITS/2022/01 guidelines, in table 8.38. Template 2: *Banking book* - Climate change transition risk: Loans secured by real estate - Energy efficiency of collateral; the exposure is broken down by energy efficiency segments according to the specific consumption of the secured property and its energy efficiency level, indicated in the energy certificate (EPC label).

Energy efficiency certificates were introduced in the EU via Directive 2010/31/EU of the European Parliament and of the Council, of 19 May, on the energy performance of buildings, and in Spain the basic procedure for certifying the energy efficiency of buildings was approved by Royal Decree 235/2013, of 5 April. Given that the energy certification regulations apply in Spain only to certain types of properties and transactions since 2013, the EPC coverage at a national level is still low (approx. 19% for residential properties, based on public certification data disclosed by IDAE as of December 2022 and the estimated stock of dwellings).

The EPC provides information on the Energy Consumption and CO2 Emissions of a property, classifying it within a scale. This classification will vary from Class A -for the lowest energy consumers by m^2, to Class G - for the highest consumers- in terms of consumption, which also applies to emissions. This classification is based on the building's assessment, regardless of its use.

In order to obtain as much information as possible based on real EPCs, CaixaBank periodically compiles, with the support of an external provider, information on the *stock* of properties used as collateral for its own loans and foreclosed properties. In addition, since 2022, information has been systematically complied on the EPCs in new operations with mortgage guarantee within the process of formalising a mortgage. However, despite the mandatory nature of the certificate, the relevant information is not always accessible to the financial institution.

99.9% of the total gross carrying amount of loans secured by real estate are located in the EU. 86.8% of these are secured with residential properties.

CaixaBank has used various sources of information and methodologies to obtain the data on energy consumption and energy certificates:

- Information based on the actual energy efficiency certificates compiled by the Entity, and
- Use of different inference and estimation models developed by the external data provider, based on the available information in each case.

When it comes to estimating the information regarding properties, CaixaBank has actual information based on the EPC for 54% of the portfolio. As at 2024 year-end, actual data was available for 48% thereof. This 6% increase reflects the improvements introduced by the bank in the regular collection of certificates. It has been estimated for the rest of the properties. Assets which do not require an energy efficiency certificate have not been considered (e.g. storage rooms and parking spaces). The largest concentration of properties are among those that consume between 100 and 300 kWh/m2 and are classified as Class E. Given that the portfolio is highly concentrated in Spain and in the residential segment, its distribution is as expected when compared to the public information available (IDAE).

B. Alignment metrics

The following table includes information on the alignment metrics with respect to the Paris Agreement for a selection of more carbon-intensive sectors. The pathways to decarbonisation are those established by the International Energy Agency (IEA) for a net zero scenario by 2050 (NZE2050). In cases where there is a different baseline scenario, it is detailed in each sector's calculation methodology.

CaixaBank published its first decarbonisation targets for 2030 in October 2022 for the electricity generation and oil and gas sectors. During 2023 it published targets for the thermal coal, iron and steel and automotive sectors.

Finally, in April 2024 CaixaBank published decarbonisation targets for 2030 for 5 new sectors: Real estate (residential and commercial), shipping, aviation and agriculture. In addition, it has determined the non-materiality in terms of emissions of the aluminium and cement portfolios, sectors for which a portfolio monitoring strategy has been set.

With the publication of these latest targets, CaixaBank completes the phase of setting 2030 decarbonisation targets for the sectors prioritised by the NZBA commitment. The targets have been established for the exposure of the credit and investment portfolio of CaixaBank, S.A. and Banco BPI.

The following are the **sectors for which decarbonisation targets for 2030 have been disclosed:**

Table 8.39. Template 3: Banking book - Climate change transition risk: Alignment metrics

	a	b	c	d	e	f	g
	Sector	NACE sectors (minimum)	Portfolio gross carrying amount (Mn EUR)	Alignment metric(1)	Year of reference	Distance from IEA NZE2050 in %(2)	Target (reference year + 3 years) (3)
1	Power	3513,3514,3515,3516,3517,3518,3519	14,023	93,86 kg CO2e/MWh	2024	–%	95.45 CO2e/ MWh
2	Fossil fuel combustion	610,620,910,1920,3521,3522,3523,4671,4730 ,4950	6,281	5.32 Mt CO2e	2024	0%	6.16 Mt CO2e
3	Automotive	2,910	3,863	148,62 gCO2/vkm	2024	44%	125,84 gCO2/vkm
4	Aviation		2,754	98,85 gCO2/ RKP	2024	39%	80,45 gCO2/ RKP
5	Maritime transport		4,756	2.00%	2023	2.00%	1.4%
6	Cement, clinker and lime production						
7	Iron and steel, coke, and metal ore production	2410,2420,2431,2432,2433,2434,2451,2452,2 511,2550,2591,2593,2594,2599	1,627	1076,97 kg CO2e/t acero	2024	9%	1030,50 kg CO2e/t steel
8	Chemicals						
9	Coal		315	2730,86 MM€	2024	95%	€1170,43 M
10	Comercial real state management		19,233	19,78 kgCO2e/m2	2024	64%	15.95 kg CO2e/m2
11	Loans secured by real state		2,573	19,79 kgCO2e/m2	2024	4%	19.42 kg CO2e/m2

(1) The alignment metric is based on the credit portfolio granted in the decarbonisation perimeter; for details see CaixaBank Climate Report 2023 - June 2024.

(2) PiT distance to 2030 NZE2050 scenario in % (for each metric). The distance with respect to CaixaBank's 2030 target is reported for sectors whose baseline scenario was not that proposed by the IEA.

(3) CaixaBank's target public is at 2030. To calculate the objective (benchmark year + 3 years), the linear interpolation between the benchmark year and 2030 was carried out.

-4

/ Oil and gas sector

The objective for the Oil and gas sector is based on the exposure provided, and it has been established using a sub-group of NACEs based on a materiality analysis and exposure. This analysis includes NACEs 610, 620, 910, 1920, 3521, 3522, 3523, 4671, 4730, 1910 and 4950 and excludes NACEs 2014 and 4612, as they are covered by Scope 3 emissions of the other activities.

The value chain segments within the perimeter of the decarbonisation targets include companies active mainly in the upstream (exploration and extraction) and in the downstream (mainly engaged in refining, distribution and marketing), as well as integrated companies (active in the entire value chain).

CaixaBank has set a decarbonisation target through an absolute financed emissions metric, in line with industry expectations. For the energy sector, the last few years have been atypical due to the impact on energy security of the global geopolitical situation. From the standpoint of lending activity, in 2022 this is reflected in an increase in exposure to Oil and &Gas sectors focused on securing short/medium term energy supply. However, this increase in financing to O&G, in response to an extraordinary situation, does not alter CaixaBank's commitment to decarbonisation in the medium and long term, but it is foreseeable that this increase will result in high volatility in the metric. This also implies that the 2020-based alignment target of 23% is in reality a much higher level of ambition than the 2020 baseline reflects.

The performance of the metric with respect to the baseline is favourable, decreasing in 2023 even beyond the 2030 target. However, it is important to note the volatility of the metric, due to its formulation on the basis of allocated exposure, so that a not necessarily linear performance is expected until 2030.

/ Electricity sector

In the electricity sector, in line with the recommendations of the UNEP FI *Guidelines for Target Setting*, the emissions reduction target has been set using the portfolio's physical intensity (kgCO_2e/ MWh) as a metric based on the exposure granted, thus enabling better support for customers in their transition to a fossil fuel free generation.

The objective has been established using a sub-group of NACEs based on a materiality analysis in terms of emissions and exposure. This analysis includes NACEs 2446, 3511, 3512, 3513, 3514 and excludes NACEs 2712, 251, 3314 and 4321, as CaixaBank considers that they are not representative of the assessed electricity sector. However, it includes NACE 2446 within the scope of the objective, which is considered relevant.

CaixaBank's target focuses on Scope 1 emissions by generation and integrated companies. Generation is the link in the value chain where decarbonisation actions have the greatest impact on reducing overall emissions in the sector. The gross carrying value of the portfolio shown in the table corresponds to the aggregate exposure of the companies within the scope, as specified in the previous paragraphs.

A 30% reduction target is set for the intensity metric by 2030. The evolution of the metric with respect to the starting point, without being linear, is generally favourable and 78% of the 2030 target has already been met. To assess the evolution of the metric, it is also necessary to consider that the target set by CaixaBank is ambitious, as it is already well below the global target for the sector set by the IEA's NZE 2050 scenario. The scope for action has also been limited by the complex geopolitical environment for the energy sector.

/ Coal sector

In July 2023, CaixaBank announced its commitment to phase-out coal by 2030: CaixaBank will cease to finance companies related to thermal coal reducing its exposure to zero by 2030 ("phase-out"). As part of its ambition to be a sustainability leader in Europe, CaixaBank continues to make progress in setting decarbonisation targets consistent with its commitment as a founding member of the Net Zero Banking Alliance, while aligning itself with the recommendation of the United Nations International Panel on Climate Change (IPCC) to limit the global temperature increase to a maximum of 1.5 °C. CaixaBank will continue to finance the energy transition to a carbon-neutral economy and support customers with an exit strategy from thermal coal by 2030.

The trend in the metrics with respect to the starting point is slightly upwards. However, CaixaBank remains fully committed to the target.

/ Automotive sector

Within the automotive value chain, the decarbonisation target has focused on the manufacturing segment and specifically on the so-called *Original Equipment Manufacturers* (OEMs) for light-duty vehicles, concentrated in NACE 2910. Scope 3 category 11 emissions *tank-to-wheel*, which are those produced by the vehicle when in use, are also considered. By far, the most significant emissions for this link in the value chain are tank-to-wheel emissions.

The metric selected for this sector is an intensity metric describing the emissions efficiency per km travelled over its lifetime by a vehicle manufactured by the OEM (gCO_2/vkm). This metric supports the sector's transition in line with CaixaBank's Strategic Plan.

A target of a 33% reduction in the intensity metric by 2030 has been established. The reduction observed in the intensity metric in the automotive sector is in line with meeting the target set for 2030. CaixaBank will continue to work to reduce the metric until 2030.

/ Iron and steel sector

The scope determined for this sector comprises the Iron and Steel Manufacturing segment, including smelters and integrated groups (smelting + transformation), which is the manufacturing stage that concentrates most of the emissions and is considered by NACEs 2410, 2420, 2431, 2432, 2433, 2434, 2451, 2452, 2511, 2550, 2591, 2593, 2594, 2599.

The methodology, consistent with market best practices and the Sustainable Steel Principles, considers a Scope 1 and 2 emissions intensity metric per tonne of steel produced. In this sector, the production process is particularly intensive, meaning that emissions from the use of the final product and its upstream supply chain are less relevant in comparison.

In view of the relatively low exposure in this sector and its high concentration in a few counterparties, the current technological limitations of a sector *"hard to abate"* and the uncertainty of changing methodologies and scenarios, it has been decided to set a reduction target in the form of a range between 10% and 20%. The range acknowledges the difficulty implicit in the decarbonisation of this sector, which leads it to consider a certain level of prudence in terms of the management margin for decarbonising the portfolio. However, CaixaBank is also aware of the existence of certain levers for decarbonising its portfolio, which depend substantially on the ambition of its main customers. Through *engagement* and portfolio rebalancing, CaixaBank will pursue an intermediate target compatible with the 1.5°C objective. Thus, the range set shows CaixaBank's ambition, given that it incorporates, in its low range, the level of arrival determined by the IEA's NZE.

/ Commercial real estate sector

The Commercial real estate sector is a complex sector and, to date, the availability of actual emissions data remains limited, which is why alignment calculations are largely based on proxies. Furthermore, in this sector, the geographical distribution of the portfolio is especially significant in terms of climate zones, so that the reference paths must take this geographical distribution into account when setting targets.

In light of these circumstances, CaixaBank has set an ambitious target for the sector, in line with science-based targets. Meeting the target is in turn conditional upon meeting the energy efficiency and energy mix projections of the PNIEC (Integrated National Energy and Climate Plan) (also in the draft of the future PNIEC, Fit for 55, etc.). NACEs 6810, 6832, 6831, 4110 and 6820 have been considered.

The focus is on decarbonising the "use" phase of the property, where 85% of greenhouse gas emissions are produced; therefore, the scope only includes the owners (groups with non-residential activity).

The methodology adopted considers Scope 1 emissions, direct emissions from fuel combustion in the property (e.g. heating) and Scope 2, indirect emissions from purchased energy (electricity, steam, heat and cooling).

A physical intensity (kgCO2e/m2) metric has been calculated. It incentivises exposure to relatively more emission efficient assets and facilitates comparison between assets of different sizes.

In this sector, the path of reference has been the CRREM (Carbon Risk Real Estate Monitor) 1.5° REC scenario pro-rated by asset type of the non-residential stock in Spain and Portugal (principal geographical areas in which the assets in the scope are located).

Taking into account the aspects mentioned in relation to the availability of real data and certain dependencies on exogenous factors (such as the PNIEC), a target of a 41% reduction in the intensity metric by 2030 is established.

2 At the time of setting the targets, data availability was less than for 2020.

/ Residential real estate sector

Due to the specific characteristics of the residential real estate segment (its social implications, long maturity periods and dependence on exogenous levers for its transformation: Regulatory requirements and public support for energy efficiency improvements), the target set for the Residential Real Estate Sector is cautious in relation to the CRREM reference path.

In any case, and in order to achieve the stated reduction, CaixaBank will have to leverage the changes arising from government policies and environmental and climate regulations, as well as changes in consumer behaviour, forming part of and contributing to the collective effort required for the transition to a zero-emission net economy. Specific products are also being launched to finance energy-efficient renovations.

The focus is on housing use: mortgage credit for individuals with the purpose of "home purchase". This is where 85% of the emissions in the residential real estate value chain are concentrated.

The methodology adopted considers that Scope 1 (direct emissions from combustion in housing, e.g. heating) and 2 (indirect emissions from purchased energy consumption) account for most of the emissions; Scope 3 emissions are very limited.

A physical intensity (kgCO2e/m2) metric has been calculated. It incentivises exposure to relatively more emission efficient assets and facilitates comparison between assets of different sizes.

The reference taken has been the CRREM 1.5°C for Spain and Portugal, specific to the real estate sector for the EU. In light of the specific sensitivities of the residential real estate sector and the design decisions indicated, a prudent 2030 intensity metric reduction target of 11,9% has been set.

/ Maritime sector

The target for the maritime sector has been calculated in line with the methodology of the Poseidon Principles, to which CaixaBank adhered in 2022.

For the purposes of the Poseidon Principles, climate alignment is defined as the degree to which the carbon intensity of a vessel, product or portfolio is in line with a decarbonisation trajectory that meets the International Maritime Organization (IMO) target. This metric is known as Alignment Delta (AD%).

The scope of the target initially excludes passenger vessels (fast ferries and cruise ships) owing to methodological inconsistencies and errors in the alignment paths affecting this asset class, which are being assessed globally in the framework of the Poseidon Principles.

The target design for this sector will be further refined within the framework of the Poseidon Principles.

the segment to decarbonise is the Owner/Operator segment (port to port cargo transfer), since "use" concentrates most of the emissions (approx. 92% of all value chain emissions).

Scope 1 emissions have been considered: emissions from fuel consumption during navigation. These are the most material emissions in the sector and are currently covered by the Poseidon Principles.

An Alignment Delta (AD%) metric has been calculated, i.e. the degree of alignment with the underlying decarbonisation trajectory in accordance with the IMO target.

The benchmark path is IMO's initial scenario (2018), aligned with the 2°C target, which aims for a 50% reduction in emissions in 2050 compared to the 2008 base year. The pathway is currently in the process of being updated under the Poseidon Principles. A target of a 19% reduction in the intensity metric by 2030 is established.

/ Aviation sector

The target for this sector was calculated in line with the Pegasus methodology, a standard to which CaixaBank adhered in 2024.

In view of the limited availability of technical data at individual asset level (type of aircraft, type of cargo, flight hours, type of fuel, etc.), the scope of the target initially focused on corporate financing to airlines, excluding asset finance and lessors. CaixaBank will extend the scope of the metric to these assets as the information becomes available, so it is foreseeable that the baseline and the target level will also be adapted.

The segment to be decarbonised is the owner/operator segment (passenger/cargo transport and airlines), as most of the sector's greenhouse gas emissions (>90%) are concentrated in the aircraft operating phase.

Scope 1 emissions have been considered: (tank-to-wake approach...): emissions from in-flight fuel consumption. These are by far the most significant emissions in the value chain.

A physical intensity (gCO2e/RPK2) metric has been calculated. It describes greenhouse gas emissions per kilometre travelled in the year (passenger approach).

The reference taken has been the Mission Possible Partnership "Prudent" 1.5° (MPPU 1.5°) scenario, aligned with the Pegasus methodology.

In light of the design decisions indicated, a 2030 intensity metric reduction target of 30% has been set.

/ Agricultural and livestock sector

In order to set a decarbonisation target for this sector, CaixaBank has carried out an exhaustive analysis of its agricultural and livestock portfolio, which has enabled it to:

- Understand and segment the structure of the portfolio in terms of materiality and carbon intensity;
- Identify the main information gaps; and
- Understand the heterogeneity of the trends for each of the products in the portfolio.

The production segment is the most emissions-intensive. In CaixaBank's portfolio, livestock farming, chiefly pigs and cattle, accounts for most of the sector's emissions. Conceptually, they are also regarded as integrated companies (processing/distribution and production).

"On-farm" emissions (enteric fermentation, manure management and energy consumption) and feed (feed production) have been included, the majority of emissions in this sector[1].

A physical intensity (kgCO2e/kg of meat) metric, aligned with the methodology SBTi FLAG, has to be calculated.

The reference taken has been the SBTi FLAG Commodity Pathways 1.5°C, a scenario with sufficient granularity and aligned to the 1.5°C target.

However, in view of the low maturity of global methodologies and the low availability of homogeneous and comparable data, it is currently neither prudent nor realistic to set a quantitative target. A qualitative target focused on improving the knowledge and profiling of individual customers and the sector in general has been chosen.

/ Cement and Aluminium Sector

CaixaBank's aggregate exposure to the cement and aluminium sectors, both in terms of credit exposure and absolute financed issues, does not exceed 1% of the bank's total portfolio of companies with a credit profile. Due to the non-materiality of these sectors in NZBA, it has been determined:

- Do not set decarbonisation targets for the cement and aluminium sectors.
- Monitor the relative exposure and, should the individual exposure of any of the sectors represent more than 1% of the total portfolio of non-financial companies for three consecutive months, consideration will be given to addressing the setting of the Net Zero target.

[1] Given the idiosyncrasies of the agricultural sector, the differentiation of scopes 1, 2 and 3 is analytically less useful than in other sectors. This is why the terms direct emissions and indirect emissions are used in the context of agricultural holdings

C. Exposure to the 20 most polluting companies

The table below shows aggregate information on the exposure to the 20 most carbon-intensive companies at the global level, including gross carrying amount, relative weight in the portfolio, average maturity and number of counterparties.

Table 8.40. Template 4: Banking book - Climate change transition risk: Exposure to top 20 carbon-intensive companies

	a	b	c	d	e
	Gross carrying amount (aggregate)	Gross carrying amount versus counterparties compared to the total gross carrying amount (aggregate)[1]	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
1	871	0	–	6	5

1 For counterparties among the top 20 carbon emitting companies in the world.

With regard to the most carbon-intensive companies at global level, CaixaBank has opted to use the *Carbon Majors* database of the *Climate Accountability Institute* report.

Exposure to the most carbon-intensive companies globally is down 3.77% from the previous close. This reduction has occurred across the board in virtually all groups with which exposure is maintained.

D. Exposure subject to physical risk

The following table shows how the physical risks related to climate change affect the credit exposure of the different geographical areas, broken down between business activities by sector of activity and loans secured with real estate and foreclosed assets.

Table 8.41. Template 5: Banking book - Physical risk of climate change: Exposure subject to physical risk

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount (Mln EUR)													
			of which exposures sensitive to impact from climate change physical events												
	Variable: Geographical area subject to climate change physical risk - acute and chronic events		Breakdown by maturity bucket					of which exposures sensitive to impact both from chronic and acute climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact from chronic climate change events	of which Stage 2 exposures	Of which nonperforming exposure	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
			<= 5 years	> 5 years <= 10 years	> 10 years <= 20 years	>20 years	Weighted average maturity							of which Stage 2 exposures	Of which nonperforming exposure
1	A - Agriculture, forestry and fishing	3,178	1,258	648	67	23	4	28	1,925	42	119	61	(48)	(7)	(31)
2	B - Mining and quarrying	557	29	7	–	1	3	2	35	–	1	1	–	–	–
3	C - Manufacturing	32,938	849	213	244	12	5	631	653	35	58	79	(69)	(3)	(64)
4	D - Electricity, gas, steam and air conditioning supply	17,670	202	158	59	1	6	222	198	–	72	2	(4)	(2)	(2)
5	E - Water supply; sewerage, waste management and remediation activities	1,955	72	42	1	–	6	75	40	–	17	–	–	–	–
6	F - Construction	10,738	520	165	123	94	6	389	457	56	74	80	(56)	(3)	(51)
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	20,623	544	101	81	17	3	512	208	22	42	40	(24)	(2)	(20)
8	H - Transportation and storage	16,911	16	32	9	–	7	52	5	–	19	4	(2)	(1)	(1)
9	L - Real estate activities	15,610	232	235	291	26	9	637	143	3	33	12	(9)	(1)	(6)
10	Loans collateralised by residential immovable property	148,668	362	1,279	4,161	6,376	20	8,314	3,725	140	942	273	(127)	(15)	(106)
11	Loans collateralised by commercial immovable property	23,015	335	436	784	121	11	1,421	202	54	196	140	(94)	(4)	(88)
12	Repossessed colalterals	3,114				234		175	53	6			(54)		
13	Other relevant sectors (breakdown below where relevant)	37,263	865	448	522	27	7	1,291	506	65	205	99	(64)	(6)	(54)

The scope of this table includes the breakdown of exposure to non-financial companies in loans and advances, debt securities and equity instruments, excluding those held for trading, by economic sector of activity.

Following the EBA's instructions, for counterparties with non-discriminatory NACE (type *holding*), the allocation of counterparties to NACE is based on the nature of the counterparty's activity.

The template includes a breakdown of physical risk events classified as acute and chronic events, where acute events are understood as those that originate in a short period of time but with serious effects on the affected geographical areas and where chronic events are those that originate during a relatively long period of time and the consequences of which are milder, but longer lasting.

In this template, CaixaBank only discloses exposure located in Spain and Portugal, since exposures located in other territories is not deemed to be significant.

In order to calculate the physical risk associated with climate change, CaixaBank has developed an internal method by means of which it has calculated the probability of occurrence and the degree of impact (severity) of a total of five climatic events.

The probability of occurrence is linked to the location of the property or business activity (by postal code), while the impact or severity is associated with the climate event and business activity (at the NACE level).

By combining both parameters assigned to each exposure (probability of occurrence and severity), a degree of impact is obtained from each climate event, which allows classifying the exposure into four levels according to said degree of impact. When defining the exposure that is sensitive to physical events related to climate change, CaixaBank considers exposure with a high level of impact, which represent approximately 8% for the loans guaranteed by real estate and 5% for the remaining financing.

E. Green Asset Ratio (GAR), Banking Book Taxonomy Alignment Ratio (BTAR) and other mitigating measures

As part of the Pillar 3 disclosure requirements in relation to ESG risks, the following items will not be disclosed as at 30 June 2025:

- Green Asset Ratio (GAR) - Templates 6 to 8
- Banking Book Taxonomy Alignment Ratio (BTAR) - Template 9
- Other mitigation measures - Template 10
- Columns which are environmentally sustainable (MCP) of Templates 1 and 4

This decision follows the publication of consultation paper EBA/CP/2025/07 on the amendment of Commission Implementing Regulation (EU) 2024/3172 as regards ESG risk disclosures and is based on the non-action letter issued by the European Banking Authority (EBA) on 6 August 2025, which recommends competent authorities not to prioritise supervision or require the publication of such templates during the transitional period, until the entry into force of the implementing technical standards (ITS) currently under revision.

The EBA has issued this recommendation in order to avoid legal and operational uncertainties arising from changes in the ESG regulatory framework, especially in the context of the European Commission's Omnibus legislative package. It is also recognised that the ESG risk profile of EU/EEA financial institutions remains stable, which justifies a gradual and flexible implementation of the new requirements.

Consequently, and in line with the stipulations of the EBA, we are availing ourselves of this temporary exemption and will not disclose the information mentioned, pending the entry into force of the final ITS.

CaixaBank

Pillar 3 **Disclosures**

Half-yearly disclosure **ESG Risk**